AGRICULTURAL OUTLOOK

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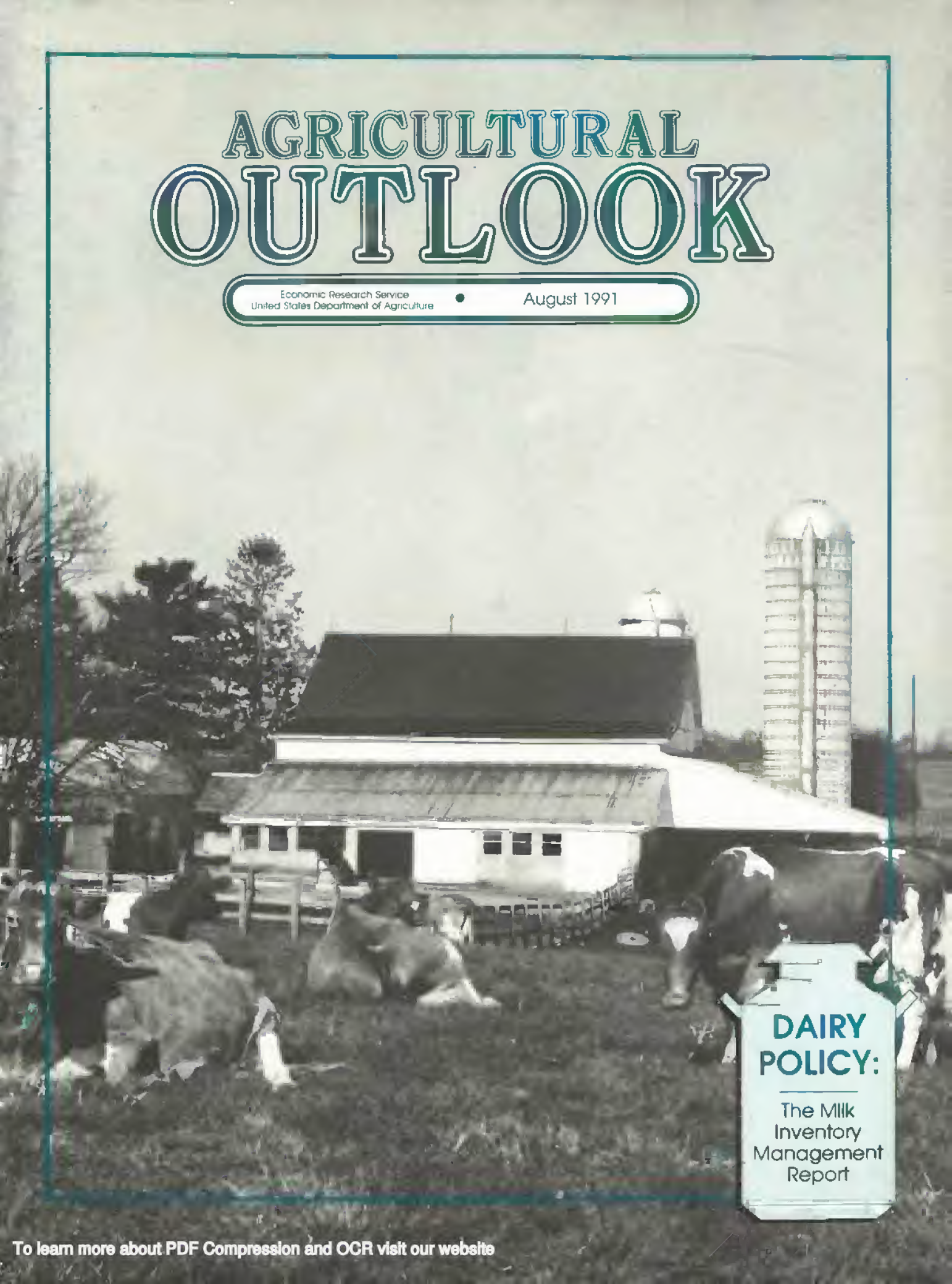

DAIRY POLICY:

The Milk Inventory Management Report

August 1991/AO-177

AGRICULTURAL OUTLOOK

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News of Hog Herd Expansion, Milk Inventory Management Study, Bank Reform, and Mexico's Economic Reforms

The pork industry is set for an expansion in production during the second half of 1991 and beyond. The June *Hogs and Pigs* report showed a much larger herd expansion than anticipated earlier by industry analysts. Hog prices are expected to drop from about $55 per cwt in July to the mid-$40's by yearend.

The cattle-on-feed inventory for June 1 was the largest on that date since 1973, pointing toward greater fed cattle marketings in the third and fourth quarters. Fed cattle prices are expected to decline in the second half of 1991 as beef production expands.

Second-quarter data strongly suggest that the recession ended sometime in April or May. Production rose during those months, and in May consumer spending posted its biggest gain so far this year. The second-quarter job decline was the smallest since the recession began. However, despite the upward tilt of recent economic indicators, the economy is still operating at low levels and unemployment remains relatively high.

Many analysts believe the economy is poised to recover in the second half of this year. Interest-sensitive sectors, especially residential housing and automobiles, are likely to rebound most dramatically. Inflation should remain moderate, barring any unanticipated rise in energy or food costs.

USDA's *Milk Inventory Management Report* has generated considerable interest on Capitol Hill and in the dairy and related industries. Under the 1990 farm bill, the Department was required to report to Congress on the merits of alternative milk inventory management programs. In its final report to Congress on June 14, USDA concluded that the current dairy program measures up well against other options studied.

The report evaluated the current dairy program as well as four general alternative programs, with the objective of avoiding large milk surpluses. The approach was to quantify the potential effects of each alternative on milk production, use, and prices, and compare them with baseline projections under current policies. Each of the four alternatives was found to have shortcomings.

Congress is considering several proposals that could radically restructure the U.S. banking system. Farmers and other rural residents have a significant stake in the final outcome of the reform debate. Commercial banks account for the largest share of credit to farmers (35 percent in 1990) and are the primary source of credit to rural nonfarm businesses.

Significant proposed changes to the bank deposit insurance system could seriously hinder small banks' ability to compete with large banks. One result could be a substantial reduction in the number of small independent banks, including those serving rural credit needs.

The government of Mexico is embarked on a course of unilateral economic reform, reversing the direction of inward-looking economic policy pursued most of this century and moving toward a more open economy based on free trade and competitive markets. The new policies appear to be improving the efficiency and performance of the Mexican economy.

The economic reforms are potentially significant for the U.S. because Mexico is the third-largest U.S. trade partner and a border country. The reform process, by generating healthy economic growth and encouraging foreign investment, is providing opportunities for increased trade between the two countries.

Industrial crops—those used as inputs in manufacturing—are receiving considerable attention from farmers, rural businesses, and policymakers as they look at ways to diversify U.S. agriculture. Kenaf and milkweed are two that have potential to become major fiber crops, providing income for farmers, jobs for rural communities, and products for a wide range of uses.

USDA's June plantings survey showed 75.9 million acres planted to corn in 1991, only slightly lower than the March forecast. A decline of as much as 1 million acres had been expected for corn as late-season planting delays favored increased soybean plantings. Some switching to soybeans did occur in rain-soaked areas, but was offset by increased corn acres in other states.

Prices for most fresh fruits are expected to be higher this summer than a year ago. Output is expected down for oranges, cherries, apricots, plums, and nectarines. In contrast, a larger peach crop is expected to reduce peach prices. A rebound in cane sugar output in Louisiana is among the factors contributing to an expected 4-percent increase in U.S. sugar production in 1991/92. U.S. consumption is likely to trend up 1.4 percent.

Livestock, Dairy & Poultry Overview

The pork industry is set for an expansion in production during the second half of 1991 and beyond. The June Hogs and Pigs *report showed a much stronger herd expansion than anticipated earlier by industry analysts. Hog prices are expected to drop from about $55 per cwt in July to the mid-$40's by yearend.*

The June cattle-on-feed inventory was the highest on this date since 1973, pointing toward greater fed cattle marketings in the third and fourth quarters. Fed cattle prices are expected to decline from a year earlier in the second half of 1991 as beef production expands.

Dairy prices are likely to strengthen in the second half of 1991 as increases in milk production contract from levels achieved during the first half. However, milk prices for the year are expected to be below 1990.

Hog Herd Larger Than Expected

The June 28 *Hogs and Pigs* report showed a much stronger herd expansion than indicated in previous reports. Strong expansion was indicated for both the short- and long-terms. Total inventories were up 5 percent from a year earlier, breeding inventories were up 6 percent, and market hog inventories increased 4 percent. Farrowing intentions, up 7 percent from 2 years ago, indicate that during September-November, virtually all states will show strong growth in hog numbers.

Third- and fourth-quarter slaughter are both expected to increase over 6 percent to 21.6 million and 24.2 million head, given the recent inventory report. These increases, coupled with heavier average weights, are expected to lower fourth-quarter prices to the mid-$40's per cwt.

Second-quarter slaughter pushed year-to-date slaughter above a year earlier. Still, the slaughter rate took its seasonal late-spring dip, lifting hog prices in mid-May to over $55 per cwt from around $50 in April. Second-quarter barrow and gilt prices averaged $53, up over $2 from the first quarter but down 9 percent from a year earlier.

Retail pork prices, dropping since December, picked up nearly 2 cents per pound in May, mainly on pre-Memorial Day price strength. Quarter-to-quarter prices declined 2 cents in the second quarter from $2.15 per pound. With little seasonal summer strength foreseen, and a substantial price drop expected this fall, pork prices for the year are likely to average 2 percent lower than a year earlier.

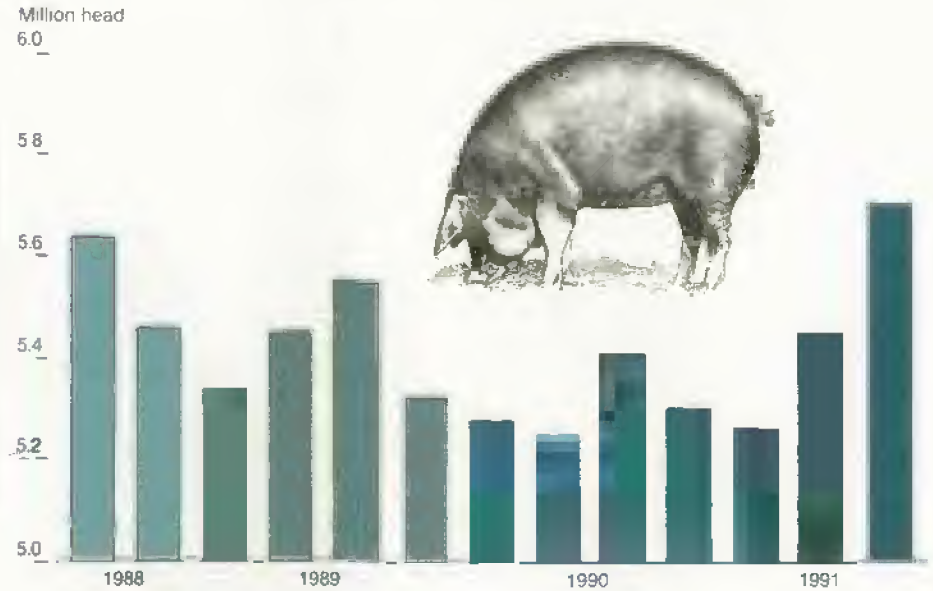
Monthly farm-to-retail price spreads have generally declined since the record highs of a year earlier. As farm prices decline in the fall, spreads are expected to widen late in the year and put average 1991 spreads 1 to 3 percent higher than $1.25 a year earlier.

Fed Cattle Marketings To Move Up

The June 1 *Cattle On Feed* report showed the fed cattle inventory up 9 percent from a year ago in the seven monthly reporting states, the largest inventory since 1973 on this date. Larger cattle-on-feed inventories point toward expanding fed cattle marketings in the third and fourth quarters.

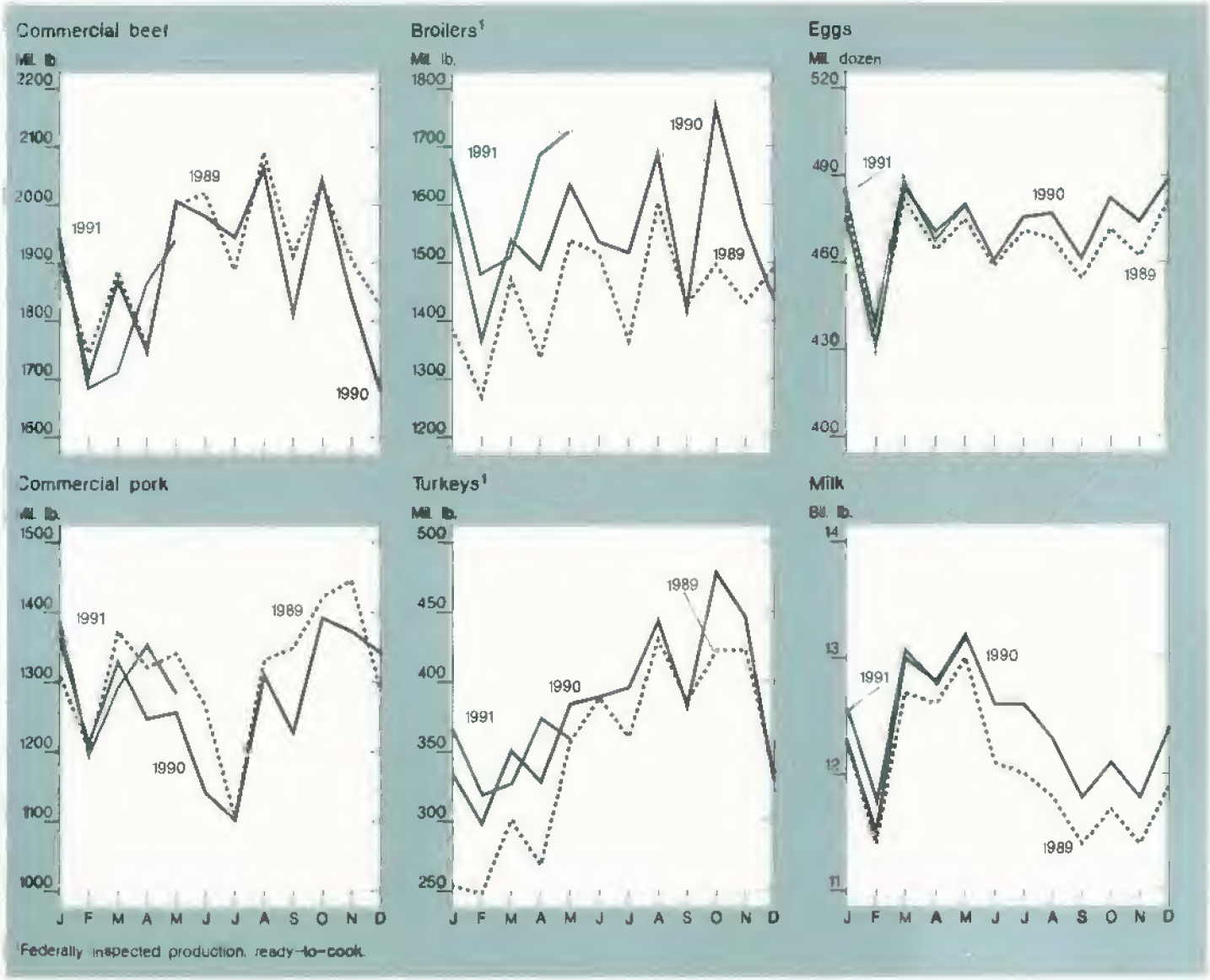
Placements on feed during May were 8 percent above a year earlier but below the 1985-89 average. Marketings during

Hog Herd Expansion Is Stronger Than Expected



Hog and pig breeding herd inventory. Beginning of quarter.

Livestock & Product Output



[1]Federally inspected production, ready-to-cook.

May were off 5 percent from the year before, but more consistent with May's federally inspected steer and heifer slaughter than April's relatively high marketings.

Forage conditions on July 1 were the best since 1983 and are seen as a plus for beef cow operations. The July *Crop Production* report indicated pasture and range conditions in the 48 contiguous states were good to excellent in 29 states, poor to fair in 11 states, and very poor in Connecticut, Maine, Maryland, New Mexico, New York, Rhode Island, and West Virginia. In addition, Pennsylvania is undergoing a severe drought.

Beef cow slaughter is at a cyclical low, partly in response to ample forage supplies and favorable stocker and feeder cattle prices. This indicates that beef cow-calf operations are retaining cows. The July U.S. cattle inventory is scheduled for release on July 29.

Beef Cow Slaughter Down

Commercial cow slaughter this year is expected to be 5.9 million head, about the same as a year earlier. Dairy cow slaughter is forecast to remain above last year's 2.7 million head due to less favorable milk-to-feed price ratios this year. However, beef cow slaughter is expected to be below last year's 3.2 million head due to favorable returns and ample forage supplies.

First-quarter commercial cow slaughter was near 1.5 million head, 3 percent below a year earlier, and the lowest since 1980 for this period. First-quarter beef cow slaughter was off 8 percent and dairy cow slaughter up 2 percent from a year earlier. The lowest quarterly cow slaughter usually occurs during the spring, suggesting a further drop in the second quarter.

Retail Choice beef prices are expected to continue dropping in the coming months. Prices have eased 6 cents since the record $2.97-per-pound high in April.

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June's farm-to-retail spread widened to $1.31 per pound, up 10 cents from April as fed steer prices dropped faster than retail prices. Fed steer prices have continued to drop from May's monthly average of $78.47 per cwt, and have recently been trading in the low $70's.

Broiler Output Growth Slows, Net Returns Drop

Fourth-quarter broiler production will likely be 4-5 percent greater than a year earlier, slowing from an 8-percent increase a year ago. Growth during the third quarter is likely expanding 6 percent from a year earlier, a faster growth rate than a year ago.

The expected slowdown reflects lower industry net returns during first-half 1991. First- and second-quarter net returns each averaged 6 cents a pound, compared with nearly 11 cents a year earlier. Third-quarter average net returns probably will be 6-7 cents, also below a year ago, reflecting continuing lower prices.

Average wholesale broiler prices in the third quarter are expected to average in the low-50's, about even with 52 cents per pound in the second quarter, but down 5 cents from a year earlier. Prices are expected to remain above cost this summer due to seasonal demand for chicken. Broiler prices are expected to average in the high 40's this fall.

A continuing high level of exports is providing some price support. Total U.S. broiler exports are estimated at 1.1 billion pounds in 1991, 6 percent below last year's record, as sales to the USSR, dependent on export credit guarantees this year, are down.

Retail prices for whole broilers in May averaged 88 cents a pound, almost 2 cents below a year earlier. Prices are expected to average in the high 80's in 1991, and remain below year-earlier levels through the second half due to competition from larger supplies of red meat.

Turkey Output Eases, Stocks Continue High

Fourth-quarter turkey output is expected to increase only 1 percent from a year earlier. Output this quarter is expected to be unchanged from a year ago. Second-quarter turkey production increased about 3 percent from a year earlier, well below the 9-percent growth in second-quarter 1990.

For 1991, production will be up only about 2 percent, the smallest annual increase since 1984. Slower growth reflects grower losses experienced from December through April.

Stocks continue to be record high, mainly due to last year's large production. Whole-bird stocks were up 27 percent, while other stocks were 7 percent below a year earlier due to increased processing use. On June 1, stocks totaled 448 million pounds, 10 percent above a year earlier. However, turkey stocks-to-use ratios are not abnormally large, and are not expected to generate large downward price movements.

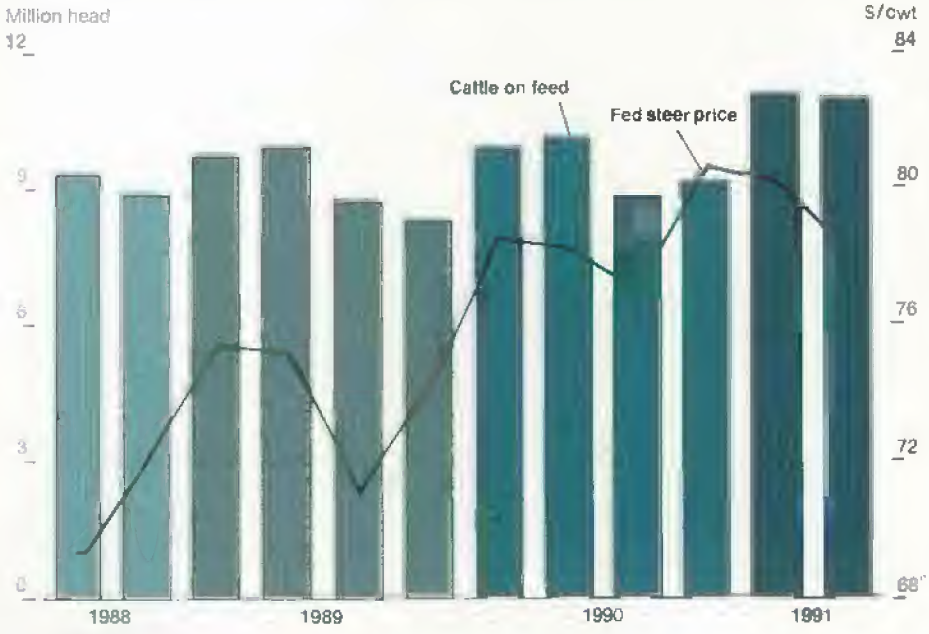
Fourth-quarter Eastern region wholesale hen prices are expected to strengthen seasonally and average about the same as a year earlier. Third-quarter prices are supported by prospects for only moderate production growth in the second half of 1991, but are restrained by large stocks. Eastern region wholesale hen prices are expected to average 63-69 cents a pound this quarter, about the same as a year earlier.

Grower net returns improved in the second quarter to just above breakeven, helped by lower feed prices. Returns are expected to improve again during the third and fourth quarters and average slightly above 1990 for the year.

Egg Production Slows, Prices & Returns Lower

Based on producers' conservative approach to expansion, 1991 egg production is forecast at 5.69 billion dozen, fractionally larger than a year earlier. Table-egg production is expected to range from last year's level to 1 percent lower. The total laying flock size is expected to remain about the same, with the table-egg flock unchanged to slightly smaller.

Large Cattle-on-Feed Inventories Point Toward Expanded Fed Cattle Marketings



Beginning of quarter.

All growth is in the broiler-hatching egg flock, with a June 1 year-over-year increase of 7 percent. The egg-type hatching flock was 9 percent smaller.

The table-egg flock size indicates second-quarter production was unchanged from a year earlier to 1 percent lower. Production in the second half of 1991 is also expected to be about the same to 1 percent lower than a year earlier.

Wholesale prices are expected to remain relatively strong through 1991, but below a year earlier. Net returns will likely remain positive, but lower than last year. An average New York price of 76-79 cents per dozen is expected for the year, below the record 82 cents of the past 2 years.

Fourth-quarter prices are expected to rise to 75-81 cents, up from 73-79 cents in the third quarter. Retail prices in 1991 are forecast to average in the mid-90's, several cents below the high levels of about $1.00 during 1989 and 1990. The first-quarter average retail price of $1.05 was likely the peak for the year.

Dairy Prices May Rise In Second-Half 1991

In light of recent market tightness, dairy prices are likely to be stronger during the second half of 1991 than previously expected. If milk production continues to weaken and the economy bounces back as expected, then dairy prices are forecast to rise during the last 6 months of the year.

Seasonal increases in wholesale dairy product prices began in early May due to shrinking milk supplies and tightening cheese markets. By early June, wholesale cheese, butter, and nonfat dry milk prices were above price support purchase levels for the first time since last October.

Although U.S. milk production during the first half of 1991 was up 1 percent from a year earlier, production increases ended in May in response to substantially lower farm milk prices. In May and June, U.S. output was virtually unchanged from a year earlier.

Output during the second half of 1991 is forecast unchanged from a year earlier. Milk production in 1991, however, is forecast to reach a new record of 149 billion pounds.

Milk prices received by farmers averaged $11.40 per cwt in June, $2.40 below a year earlier. Recent forecasts for second-half 1991 milk prices are relatively higher than those made earlier this spring because milk output has slumped and wholesale dairy product prices are up. For the year, milk prices are expected to average 13-15 percent below a year earlier.

For further information, contact: Richard Stillman, coordinator; John Ginzel, cattle; Felix Spinelli, hogs; Lee Christensen, Agnes Perez, and Larry Witucki, poultry; Jim Miller and Sara Short, dairy. All are at (202) 219-1285. AO

Field Crops Overview

Weather conditions and changes in farm programs have had considerable impact on farmers' planting decisions. In many rain-drenched areas, acreage shifted from corn to soybeans. Plantings of other oilseeds are also up, and favorable weather increased spring wheat plantings.

Despite drought in California and heavy Delta rains, cotton acreage is up. Increased world cotton production should take the pressure off tight global supplies, but world trade is expected to remain at last year's level.

World rice production will drop in 1991 largely because of reduced output in the two leading producer countries, China and India. Little change is projected for U.S. output.

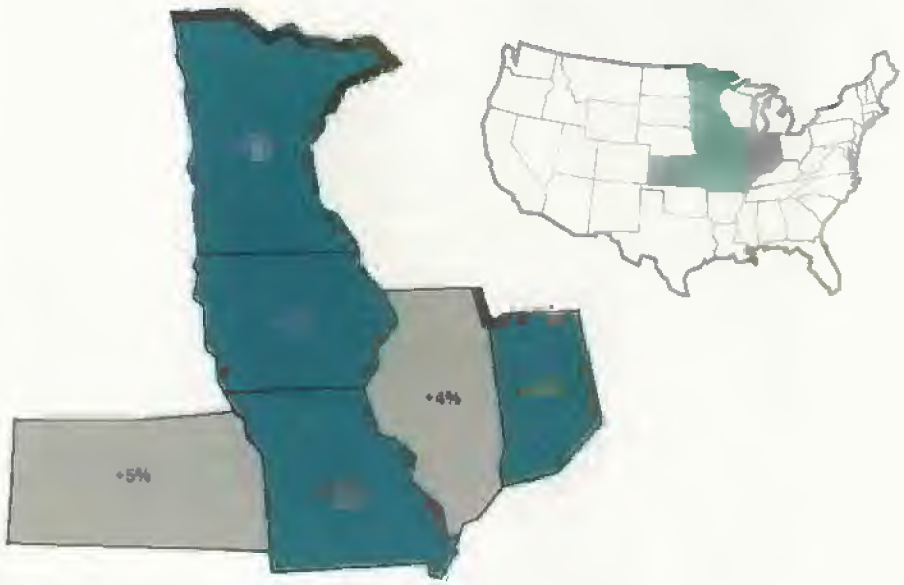
Corn Acreage Higher Than Expected

USDA's June plantings survey showed 75.9 million acres planted to corn in 1991. While the report showed area only slightly lower than the March planting intentions, the estimate came as somewhat of a surprise to industry analysts. A decline of as much as 1 million acres from the March forecast had been expected for corn as late-season planting delays were thought to have promoted more soybean plantings at the expense of corn. Some switching to soybeans did occur, but was offset by increased corn acres in other states.

Not unexpectedly, rain-soaked Iowa, with only 12.2 million acres of corn planted, registered the largest state decline (800,000 acres or 6 percent) from the March report. The decrease in corn acreage was offset by gains in soybean plantings. Other states showing declines in corn area include Indiana, Minnesota, and Missouri. Both Illinois and Nebraska posted 400,000-acre gains.

Agricultural Economy

Weather Lowers Corn Planting Decisions In Some Major Producing States



Change from March report.

The bearish acreage report for corn was coupled with a bearish weather forecast for July which predicted warm temperatures and adequate precipitation across much of the Corn Belt. July and August weather are critical for corn. Hot, dry conditions during those months can significantly reduce pollination and cut yields dramatically.

On the heels of the acreage and weather reports, futures contract prices at the Chicago Board of Trade fell to contract lows. However, as of July 14, the portion of the corn crop rated good to excellent—66 percent—was lagging last year's 75 percent. During the first 2 weeks of July, corn crop conditions fell as temperatures rose in Illinois, Indiana, Iowa, Nebraska, and Ohio.

On June 27, USDA released its *Grain Stocks* report, indicating June 1 corn stocks of 2.99 billion bushels, up 5 percent from a year earlier. Although corn usage is expected to remain strong through the remainder of the crop year, the stocks level indicates somewhat lower feed and residual usage than had been expected by some analysts.

Wheat Plantings Still Strong

Wheat area planted for 1991 is estimated at 70 million acres, down 9 percent from a year earlier, but up 1 million acres from March intentions. Farmers intend to harvest 58 million acres of wheat for grain, a 16-percent drop from 1990. Winter wheat area harvested in Oklahoma and Colorado declined from the early June estimate, reportedly because of increased haying and grazing of wheat. In Washington, more acres of winter wheat were reseeded to spring wheat because of last December's freeze.

Total spring wheat plantings were boosted by increased area in North Dakota. Spring wheat area intended for harvest in that state stands at an unusually high 98 percent of planted area. June crop conditions in the Northern Plains were the best in many years.

U.S. Rice Supplies To Expand

U.S. rice output for 1991 is forecast at 157.5 million cwt, slightly above the previous 2 years. Beginning inventories for rice are forecast about the same as a year earlier. Including a modest increase in imports, rice supplies will grow more than 3 million cwt this year. Total use during 1991 is expected to grow, based largely on the strength of the domestic market.

Forecast rice plantings in 1991 are marginally down from a year earlier. Harvested area, however, is forecast up from 1990's difficult harvest, with Arkansas accounting for most of the gain.

World rice production in 1991/92 is projected to fall 1 percent from the 1990/91 record, due mainly to reduced output by the two largest producers, China and India. Both countries had record yields and harvests in 1990/91.

China's crop is projected down 3 percent. Although the government of China is encouraging farmers to maintain plantings, large supplies and low prices are expected to lead to a slight reduction in China's rice area. The monsoon in India is off to a good start, except in the northwest, where about 25 percent of the crop is grown. While area is projected to be virtually unchanged, lower fertilizer use and lower yields are projected to cut production by 3 percent.

Global rice consumption is expected to slip, but to remain near the 1990/91 record, and a slight drop in global ending stocks is anticipated. A small pickup in world trade is projected, due to lower production and projected increases in exportable supplies.

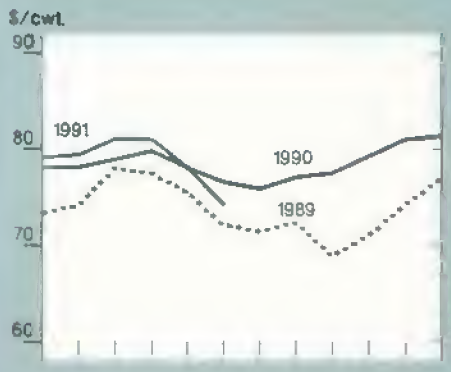
Thailand is projected to harvest a larger crop than a year earlier, and is expected to register the largest export gain. Exports by Pakistan are projected to show no change, while exports by Vietnam and China are likely to decline. U.S. rice exports and market share are each projected to decline in 1991/92 in the face of tight supplies, relatively high prices, and strong competition.

Oilseed Plantings To Increase

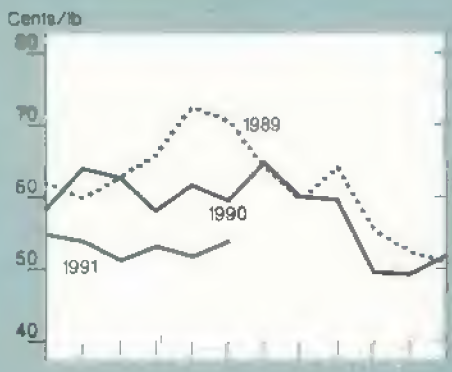
In the June plantings survey, U.S. farmers indicated they would plant

Commodity Market Prices — Agricultural Economy

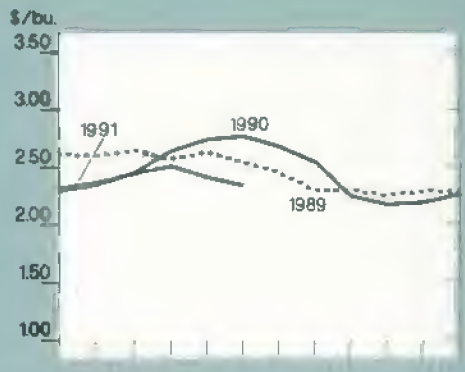
Choice steers, Nebraska



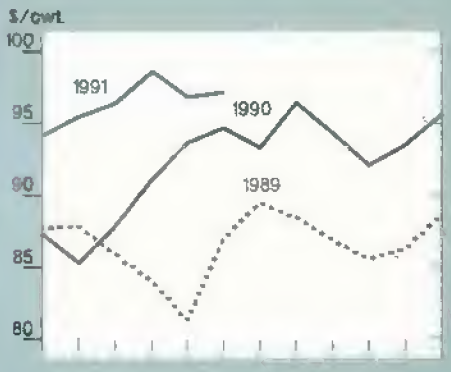
Broilers, 12-city average



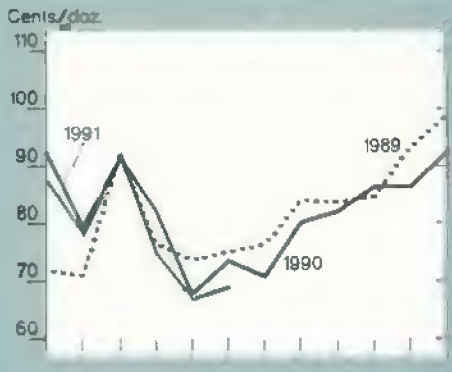
Corn, Central Illinois[1]



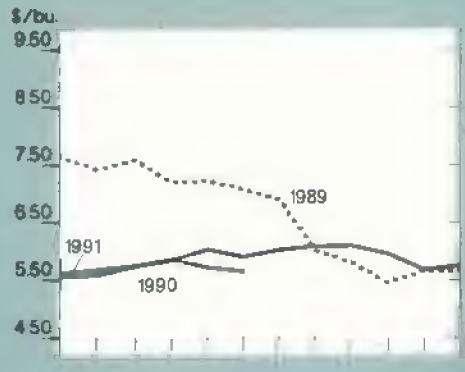
Medium steers, Oklahoma City[2]



Eggs, New York[3]

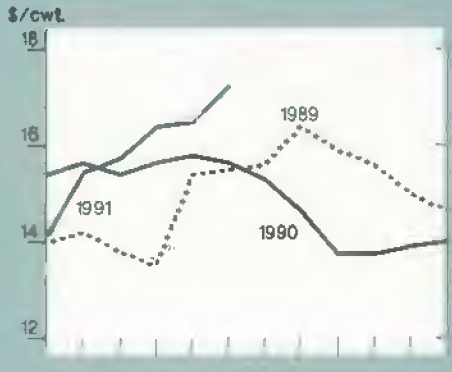


Soybeans, Central Illinois[4]

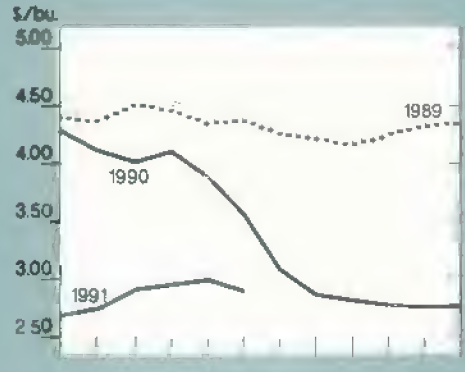


Barrows and gilts, 7 markets, Omaha

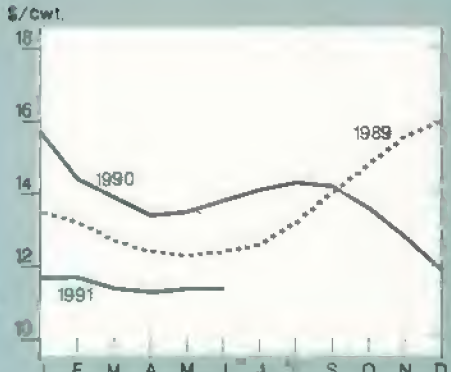
Milled rice, SW Louisiana[5]



Wheat, Kansas City[6]

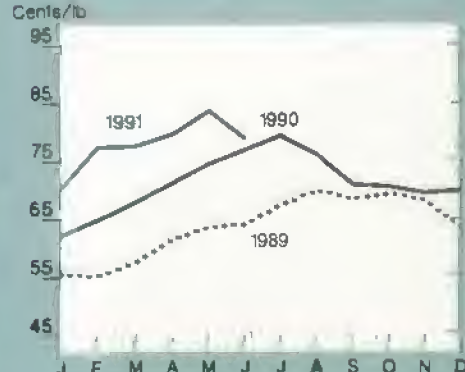


All milk



Sorghum, Kansas City

Cotton, average spot market



[1]No. 2 yellow. [2]600–700 lbs. medium no. 2. [3]Grade A large. [4]No. 1 yellow. [5]U.S. No. 2, long-grain. [6]No 1 HRW.

Agricultural Economy

significantly more oilseeds than intended earlier this spring. Rain-delayed plantings of corn throughout the Northwest Corn Belt and Delta regions, together with favorable growing conditions in the Northern Plains and more flexible commodity programs, contributed to the shift toward oilseeds.

Overall, farmers planted or intend to plant 62.7 million acres of soybeans, sunflowers, and flaxseed, up 2.9 million acres from their March intentions and 4.5 percent above a year earlier.

Soybeans led the increase in oilseed plantings with an estimated 59.8 million acres, up nearly 2.7 million acres from March and 2 million acres above last year. The significant increase in bean acreage reflects farmers' response to added flexibility in commodity programs and to heavy spring rains that delayed corn and cotton plantings.

Northern Plains producers are also reacting to abundant spring rains that have generated optimism for this year's yield prospects. The largest soybean acreage increases were noted in Iowa (800,000), Minnesota (500,000), and Missouri (500,000).

Acreage planted to sunflowers and flaxseed also gained over earlier intentions. Sunflower acreage is now estimated at 2.6 million, up 11 percent from March intentions and 36 percent above last year. While flaxseed plantings are also estimated up from a year earlier, low early-season prices have discouraged some plantings, and acreage is down from the March report.

This year's increase in minor oilseed acreage reflects farmers' responses to new commodity program provisions that combine planting flexibility with price supports. Producers in the Northern Plains are also benefiting from some of the best growing conditions in years, decreasing yield risks and bankers' apprehension.

U.S. Wheat Production Drops, Stocks Expected Down

	1989/90	1990/91	1991/92
	Million metric tons		
WORLD			
Wheat			
Production	538	593	556
Use	535	570	558
Exports	96	94	98
Ending stocks	121	144	142
Corn			
Production	461	469	493
Use	478	468	490
Exports	73	67	57
Ending stocks	71	73	77
Soybeans			
Production	107	104	107
Use	104	105	106
Exports	27	25	27
Ending stocks	20	20	21
UNITED STATES			
Wheat			
Production	55	75	55
Use	27	37	32
Exports	34	29	30
Ending stocks	15	24	18
Corn			
Production	191	202	210
Use	146	154	160
Exports	60	44	44
Ending stocks	34	37	43
Soybeans			
Production	52	52	54
Use	34	34	36
Exports	17	15	17
Ending stocks	7	10	10

Note: Exports of wheat and corn do not include intra-EC trade shipments. Data are for marketing years. The wheat year is July-June, and the soybean and corn marketing years are October-September.

Record World Oilseed Output Forecast

Global output of oilseeds in 1991/92 is projected at 223.8 million tons, up 6.1 million above the 1990/91 record, reflecting gains in rapeseed, cottonseed, peanut, and soybean production. Declines are expected for sunflowerseed, flaxseed, and copra.

Large rapeseed crops are projected for the EC, China, and Canada, all the result of increased 1991/92 plantings. The rebounding U.S. peanut crop is the main reason for higher world production, while India accounts for most of the gain in foreign output. Most of the anticipated increase in world cottonseed production is dependent on China.

Global production of soybeans is forecast to rise 3 percent in 1991/92 to 107 million tons. Foreign soybean output is projected up 21 million tons, also up 3 percent, led by gains in Brazil. Another large crop is likely in China, although production is projected up only 1 percent from last year's abundant output.

Soybean prospects for the major competing suppliers, Brazil and Argentina, are uncertain this early in the year. Both are now winding up 1990/91 harvests, and planting of new crops is still months away. Changing policies and tough economic conditions cloud the outlook for both countries.

In Brazil, output is projected to rise 2 million tons because of improved yields after poor weather in critical areas pulled down 1990/91 production. Limited government resources may restrict credit

for soybean growers and hold down potential area gains.

In Argentina, soybean production is projected to decline 250,000 tons from the record 1990/91 outturn, as yields are likely to return to trend following unusually favorable growing conditions in 1990/91. Area is expected to rise to 5 million hectares.

World soybean trade in 1991/92 is projected to rise 6 percent to 26.6 million tons, while soybean meal trade will likely slip 1 percent to 25.8 million tons. Imports by the Soviet Union will again be constrained by limited availability of foreign exchange. The U.S. offer of credit is expected to favor the U.S. over competing South American exporters in the Soviet market.

U.S. soybean exports are projected at 17.4 million tons, pointing to a market share of 65 percent. Foreign exports are forecast at 9.2 million tons. U.S. soybean meal exports are projected at 5 million tons, and foreign shipments 20.8 million.

World vegetable oil inventories are forecast to rise in 1991/92. Supplies of major oils are expected to grow more rapidly than the 2-percent gain forecast for global use. Soybean and palm oil are likely to account for most of the inventory gain, with soybean oil stocks in the U.S. projected to reach near-record levels of more than 2 billion pounds.

Larger Acreage To Boost U.S. Cotton Production

Despite setbacks in California and the Delta, U.S. cotton producers expect to plant over 14 million acres in 1991, according to USDA's June Acreage report. Spurred by relatively strong cotton prices, producers have continued to plant cotton beyond yield-optimal planting dates in many areas.

In California's pivotal San Joaquin Valley, an exceptionally cool April-to-mid-May period has probably hindered early crop development. In the Mississippi Delta region, April was the wettest on record in many areas, with rainfall totaling 30 inches or more. Some acreage could not be planted and much was planted late.

Based on plantings reported in the June survey, U.S. cotton production in 1991 could exceed 16 million bales. Mill use will likely remain steady near 1990 levels, while U.S. cotton exports will likely fall, due to larger foreign outturn.

U.S. ending stocks in 1991/92 are expected to total 3.0 million bales, and stocks-to-use is forecast at 19 percent, up from a year earlier but well below the 1990 farm bill target of 30 percent.

World Cotton Outturn To Reach Record

The current tight world supply of cotton should ease somewhat in 1991/92 due to a projected 4-percent increase in world production to a record 90.3 million bales. Foreign production is projected to rise 3 million bales to 74.1 million, just 2 million below the 1984/85 record.

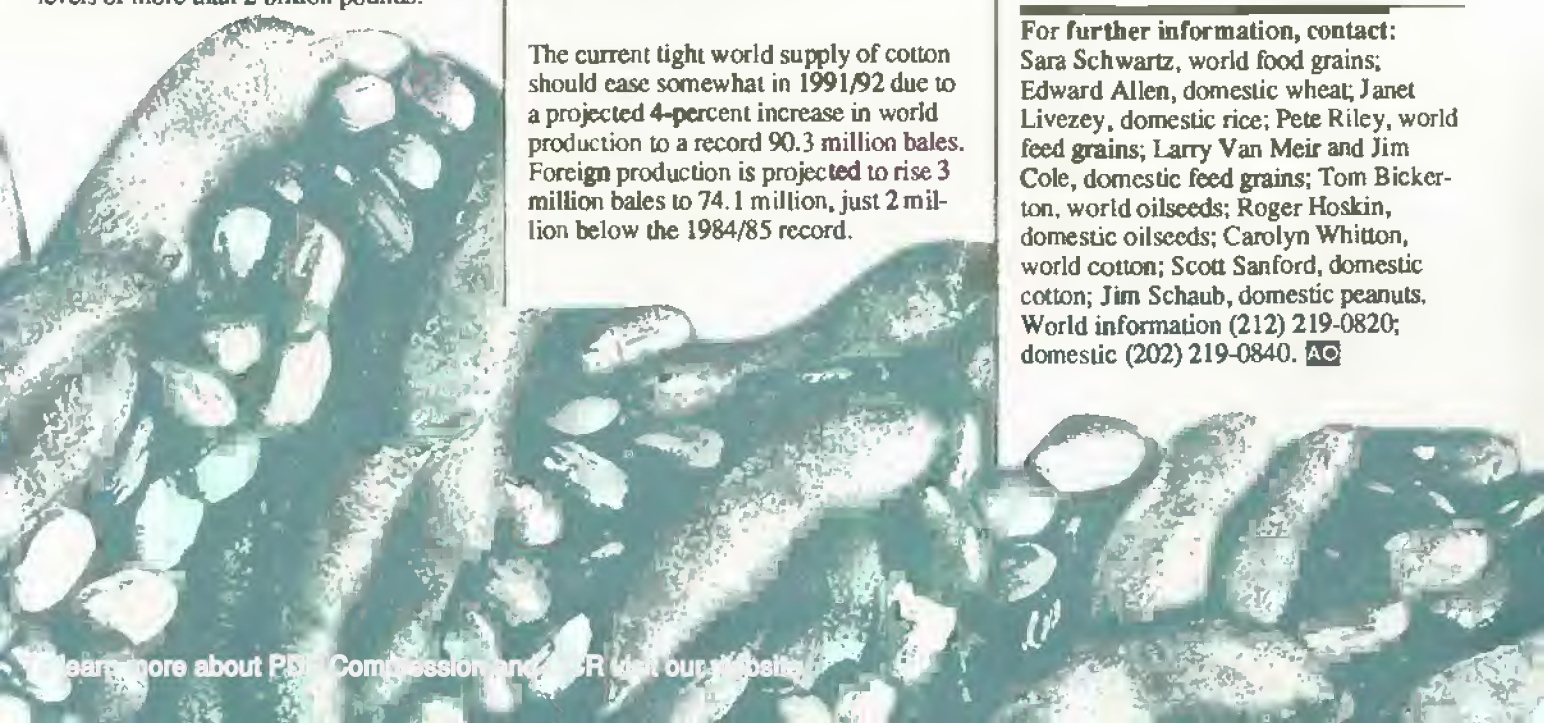
Most of the foreign production increase is expected in China, but this will hinge on the size of its increase in cotton area. Prices for some competing crops in China, such as corn, have been depressed by large 1990/91 supplies in some areas. In addition, record output is projected for Pakistan, and India's crop is forecast up 7 percent—the second largest ever.

World consumption is projected to rise nearly 1.7 million bales in 1991/92, also a record. Production gains are expected to outstrip consumption substantially, leading to a small increase in ending stocks. Most of the prospective consumption gains are anticipated in the major producing countries.

World cotton trade is projected to remain stable at 23.5 million bales in 1991/92. U.S. exports are expected to fall 11 percent to 7 million bales in the face of increased foreign competition. The U.S. market share is projected to decline to a more normal 29.7 percent from 1990's 34-percent level.

Foreign cotton exports are projected to rise 8 percent. A critical element of the trade outlook will be how the Soviet Union resolves the key issue of cotton sales and retention of foreign exchange by its producing republics. In 1990/91, the republic of Uzbekistan accumulated large stocks which may hit the world market in 1991/92. *[Jim Cole (202) 219-0840 and Pete Riley (202) 219-0825]*

For further information, contact:
Sara Schwartz, world food grains; Edward Allen, domestic wheat; Janet Livezey, domestic rice; Pete Riley, world feed grains; Larry Van Meir and Jim Cole, domestic feed grains; Tom Bickerton, world oilseeds; Roger Hoskin, domestic oilseeds; Carolyn Whitton, world cotton; Scott Sanford, domestic cotton; Jim Schaub, domestic peanuts. World information (212) 219-0820; domestic (202) 219-0840. AO



Specialty Crops Overview

Most fresh-fruit prices in the U.S. are likely to be up this summer from a year ago. Output is expected down for oranges, cherries, apricots, grapes, pears, plums, and nectarines. Apple and freestone peach production is expected to be higher.

Acreage planted with fall potatoes rose 2 percent from a year earlier. Grower prices are likely to be lower than the last two seasons when moderate-size crops and strong gains in demand kept prices above trend.

A rebound in cane sugar output in Louisiana is among the factors behind the 4-percent increase expected in U.S. sugar production in 1991/92. U.S. consumption is likely to trend up 1.4 percent.

Higher Fruit Prices In 1991

Most fresh fruit prices are expected to be higher this summer than a year ago because of reduced output. Peach prices, however, are expected to decline due to a larger crop.

The U.S. freestone peach crop is forecast up 33 percent in 1991 compared with a year earlier and up 18 percent from 2 years ago. The adverse impact of last December's freeze on expected peach production in Western states is more than offset by forecast bumper crops in the Eastern states. Grower prices for fresh peaches early in the season were running slightly ahead of a year earlier because of good quality and strong demand. However, they are expected to slip a little as the season progresses.

Smaller orange supplies than a year earlier may be helping to put a floor under peach prices. Much of California's orange production was destroyed by abnormally cold weather last December, contributing to the strong demand for other fresh fruits this summer. The impact on demand for noncitrus fruits is expected to last into next season.

Except for freestone peaches and dried prunes, overall stone fruit production is expected to be lower in 1991. Sharp declines in sweet cherry output are likely in Washington, Oregon, Utah, and Idaho. The cold wave that swept the Western states in late December is expected to push total Western production 24 percent lower than last year.

California growers are likely to see smaller apricot, plum, and nectarine crops—these also were damaged by the December freeze. Apricot production is expected to be 22 percent lower than last year, while plum output is forecast down 5 percent. Nectarine output is forecast to dip slightly. Dried prune production in California is expected to be 22 percent above a year earlier.

A 3-percent increase in apple production is expected. Output is forecast higher in the Eastern and Central states, where cold weather reduced the 1990 crop. Winter damage and frost also are factors in the 7-percent-lower 1991 forecast for the Western states.

California grape output is expected to be 2 percent lower than in 1990, reduced by high temperatures throughout the state. Production is forecast 2 percent lower for the raisin type, virtually unchanged for the wine type, and down 7 percent for the table type.

California's walnut production is forecast at 240,000 tons (in-shell basis) a 6-percent increase over 1990/91, and the second-largest crop on record. California's almond crop is forecast at 460 million pounds (shelled basis), 30 percent below last season's record harvest.

Trade sources indicate that pistachio production in California will be about 45 million pounds, much smaller than last year's record 118 million. Early-season industry reports on the pecan crop indicate production similar to 1988, when 308 million pounds (in-shell basis) were produced, much higher than last season's small crop of 205 million. Pistachios, and to a lesser extent pecans, are alternate-bearing crops, with a large crop usually followed by an off year in which production is much lower.

Potato Acreage Up

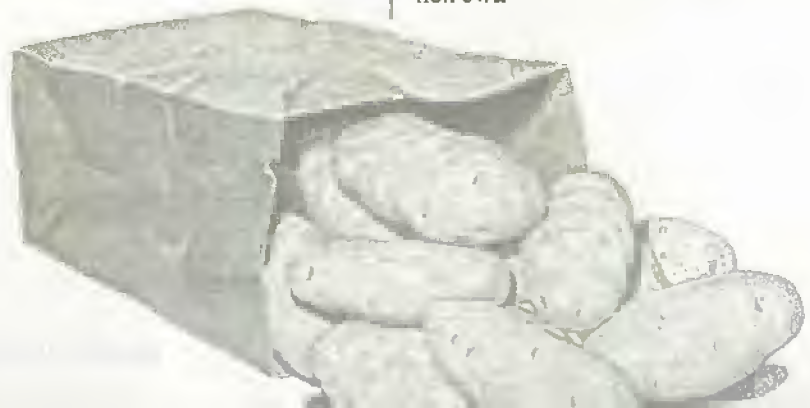
In 1991, growers planted 1 percent more acres with potatoes than a year earlier. Acreage for fall harvest jumped to 1.19 million, up 2 percent from last season and 8 percent above 1989. The largest gains are in Washington, where yields typically average the highest in the country.

Growers in Washington are expected to harvest 9 percent more fall acreage than last year. Producers in the Western potato states increased planted area by 2 percent. Western states' acreage is heavily concentrated in russet varieties for processing and for fresh baking use.

Producers in the Central states increased planted area for fall harvest by 2 percent. The biggest gain was in North Dakota, where area is up 5,000 acres.

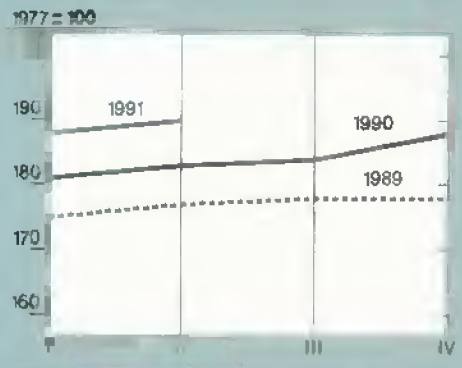
Eastern farmers fractionally reduced planted area for fall harvest. Eastern production is dominated by the round white varieties typically used for processing into chips or for the fresh market.

Summer potato production is estimated at 22.8 million cwt, down slightly from 1990. Combined output for the winter, spring, and summer seasons is 45.6 million cwt.

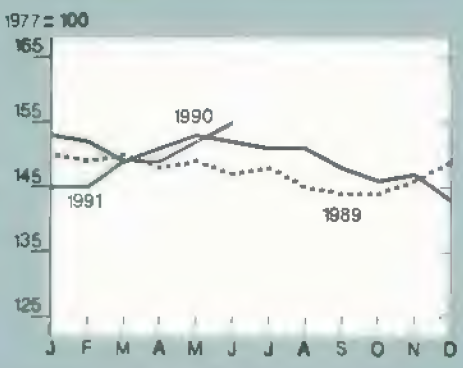


Prime Indicators — Agricultural Economy

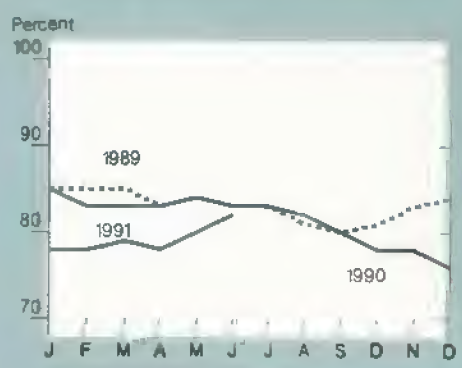
Index of prices paid by farmers



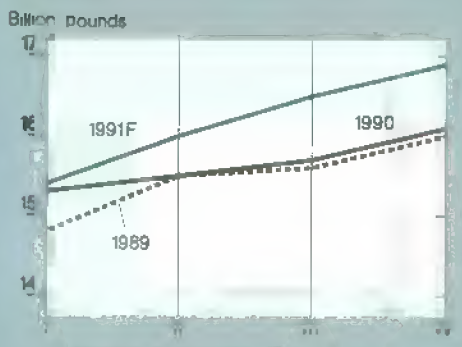
Index of prices received by farmers[1]



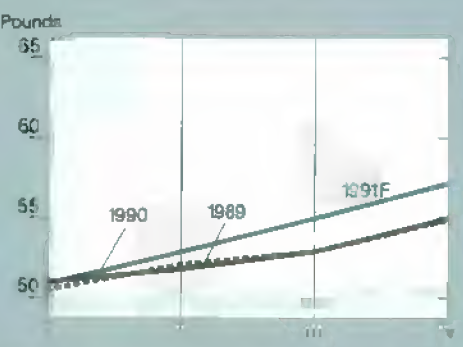
Ratio of prices received/prices paid



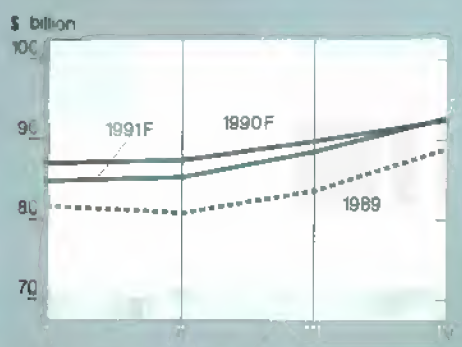
Total red meat & poultry production[2]



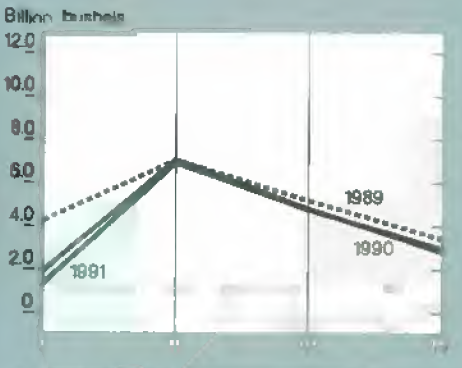
Red meat & poultry consumption, per capita[2,3]



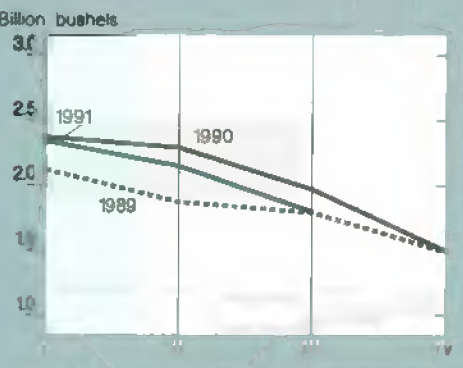
Cash receipts from livestock & products[4]



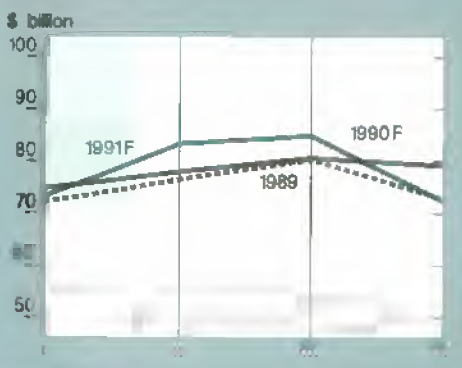
Corn beginning stocks[5]



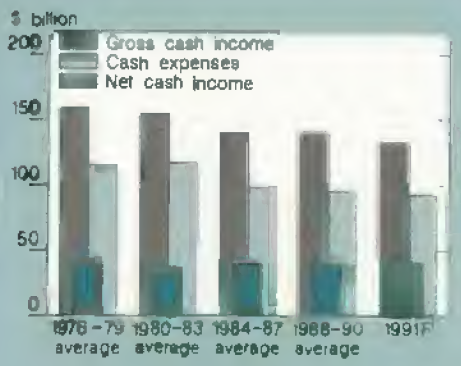
Corn disappearance[5]



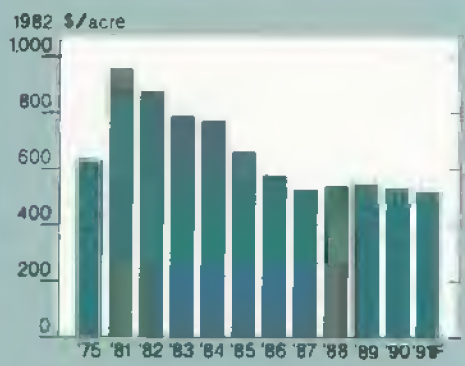
Cash receipts from crops[4]



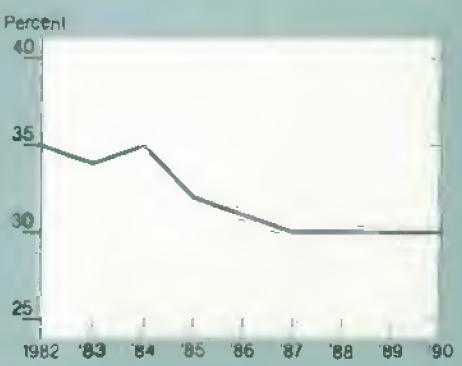
Real cash income[6]



Average real value of farm real estate



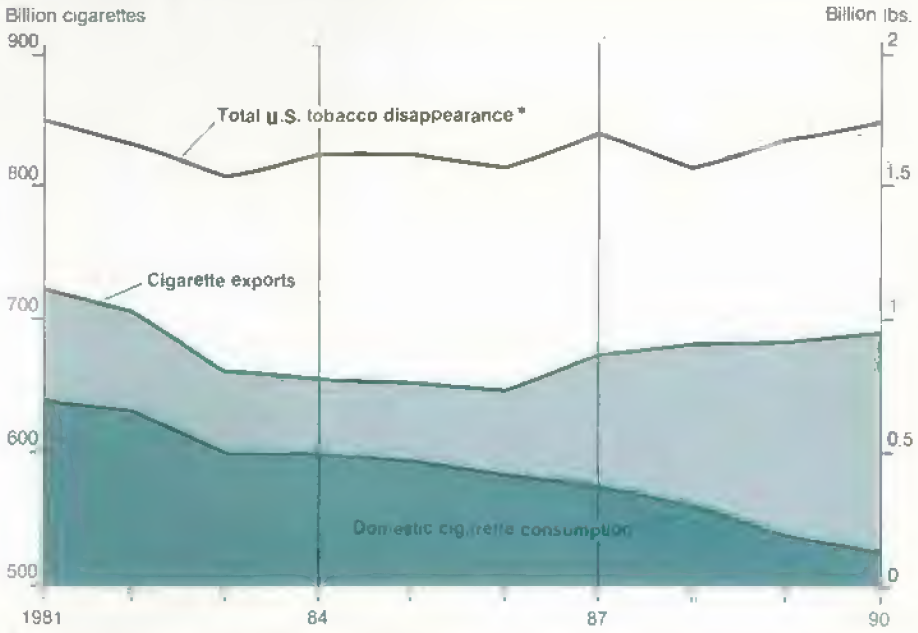
Farm value/retail food costs



[1]For all farm products [2]Calendar quarters. Future quarters are forecasts for livestock, corn, and cash receipts [3]Retail weight [4]Seasonally adjusted annual rate [5]I=Sept.–Nov.; II=Dec.–Feb.; III=Mar.–May; IV=June–Aug. [6]Cash expenses plus net cash income equals gross cash income. F=forecast

Agricultural Economy

As U.S. Cigarette Consumption Declines, Exports Are Critical to Tobacco Industry



*Includes tobacco for producing exported cigarettes

Although the average grower price for potatoes rose during May because of a short spring crop, prices remained below a year earlier. Average prices for the past two seasons have been above trend, partly as a result of moderate-size crops and partly due to expanding demand for potatoes.

If yields from the fall crop match the average for the 3 years prior to 1988—310 cwt per planted acre—fall output could tally 365 million cwt and the total output for all four seasons would approach 410 million. Total output was 393 million cwt in 1990 and 370 million in 1989.

Losses due to drought in the Red River Valley during the 1988, 1989, and 1990 seasons pulled down the average U.S. yield. This season, moisture conditions in the Red River Valley were favorable as of mid-July, and potato fields reportedly looked good.

If U.S. production reaches 410 million cwt, prices likely will retreat from the 1990/91 marketing season levels. As a rule of thumb, the season-average grower price declines about 4 percent for each 1-percent increase in production. However, the size of fresh and processed potato stocks at the beginning of the fall season, and changes in demand, can cause prices to deviate from the 4-percent rule of thumb.

Sugar Supplies To Rise in 1991/92

U.S. domestic sugar supplies are forecast to increase by 0.8 million short tons, raw value, in 1991/92 (October-September). A 500,000-ton increase in carryover stocks and higher production are contributing factors.

Early prospects point to record or near-record U.S. sugar production in 1991/92. Cane sugar output will show an especially large gain. Growing conditions in Florida so far this season reportedly have been better than usual. In addition, Louisiana appears on the verge of a dramatic recovery from the abnormally small 1990/91 crop, despite excessive rains this spring.

Beet sugar production also is likely to rise from last season although planted acreage is about the same as a year earlier. No major problems have been reported from the sugarbeet areas that would alter the forecast for higher yields in 1991/92.

U.S. sugar consumption in 1991/92 will be 1.4 percent higher as deliveries for domestic food and beverage use continue trending up. Consumption in 1990/91 is likely to total 8.75 million tons, raw value, 2.8 percent higher than a year earlier.

Cigarette Exports Lift U.S. Tobacco Prices

Grower prices for U.S. tobacco are expected to increase in 1991/92 because of smaller domestic supplies and higher price supports. The decline in supplies will result from lower carryover stocks. An expected 3-percent increase in disappearance of U.S. tobacco for cigarette production in 1990/91 will absorb stocks. Strong export demand is driving the growth in cigarette production.

Domestic leaf disappearance during 1990/91 was higher for the second consecutive season despite declining U.S. cigarette consumption. Rising exports have been behind the growth in total cigarette sales in recent years. However, continuing declines in domestic consumption likely will overcome the growth in exports and reduce domestic leaf use later in the 1990's.

Tobacco stocks carried over to the new marketing year (beginning July 1 for flue-cured and October 1 for burley and other varieties) likely will decline 5 percent from last year's 2.34 billion pounds.

Leaf exports for 1990/91 will probably decline slightly from the season before (final figures are not yet reported). But manufacturers in a number of countries are shifting to American blend cigarettes, which is expected to generate a small rise in leaf exports in 1991/92.

Production prospects for 1991/92 are similar to the previous season's. If acreage is near producers' planting intentions and yields are normal, an estimated 1.6 billion pounds of tobacco will be produced, about the same as a year earlier.

Agricultural Economy

Flue-cured output would be expected at around 900 million pounds, while burley would account for 660 million. Marketing quota constraints will limit flue-cured sales to about 900 million and burley to 650 million. *[Glenn Zepp (202) 219-0888]*

For further information, contact: Boyd Buxton, fruit; Gary Lucier, vegetables; Peter Buzzanell, sweeteners; Verner Grise, tobacco; Doyle Johnson, tree nuts and greenhouse/nursery; David Harvey, aquaculture; Lewrene Glaser, industrial crops. All are at (202) 219-0883. AO

Commodity Spotlight

Kenaf & Milkweed: New Fiber Crops

Farmers, rural businesses, and policymakers are looking to alternative crops to diversify U.S. agriculture. Industrial crops—those used as inputs in manufacturing—are receiving some of this attention. Kenaf and milkweed are two that have potential to become major fiber crops, providing additional income for farmers, jobs for rural communities, and products for a wide range of uses.

Kenaf Acreage Contracted For Commercial Use

Kenaf (pictured above) is a herbaceous annual grown in many tropical and subtropical countries as a substitute for jute in making twine, rope, and other cordage products.

Plants range in height from 12 to 18 feet. Leaves are either palmate or whole, depending upon the variety. Stems consist of an outer bark composed of bast (woody) fibers and an inner core containing shorter fibers. The longer bast fibers make up about 30 to 40 percent of the stem, on a dry-weight basis, and the shorter core fibers make up the remainder.

Until recently, kenaf was grown in the U.S. only for research purposes, primarily in Texas, Mississippi, and Oklahoma. This spring, however, a commercial firm—Natural Fibers of Louisiana, Inc.—contracted with farmers to plant 1,000 acres of kenaf in Louisiana.

Standard farm equipment can be used for planting and cultivation. Harvesting occurs during the fall, and the method varies depending on location and intended use of the fiber. The acreage in Louisiana will be harvested with a sugarcane harvester, and the stems will be field dried and stored on the farm for periodic retrieval by the processor.

In Texas, a prototype harvester has been developed that cuts the stems and lays them in rows. After 10 to 14 days of field drying, the stems will be gathered and shredded to be used for paper pulp.

In Mississippi, the weather at harvest time is a major variable. Field drying is not an option because heavy rains can coincide with the harvest. Researchers expect that a desiccant, or drying agent, will need to be applied before harvest.

Natural Fibers of Louisiana, Inc. is building a fiber separation plant near Jeanerette, Louisiana, to process the kenaf stems into bast and core fibers. The bast fibers have many uses, including fiberboard, molded car parts, acoustic tiles, carpet padding, burlap, and fiber mats. The primary use of the core fibers will be for poultry litter.

Kenaf To Yield Improved Newsprint

A kenaf-based newsprint mill is planned for south Texas, to be located in the Rio Grande Valley near Raymondville. Construction is expected to begin later this year and be completed in 1992.

Farmers in surrounding counties will grow the 4,500 acres of kenaf needed to keep the mill running. Yields are

Commodity Spotlight

expected to be about 6-8 tons per acre. When operational, the mill will produce 30,000 tons of newsprint annually.

Kenaf offers several advantages over conventional newsprint. It has excellent strength, better ink adherence (requiring less ink), and reduced ink runoff, and it provides sharper photo reproduction. Kenaf also requires less energy for pulping and brightens more easily than wood chips. Furthermore, it can be blended with recycled newsprint to improve paper quality.

Kenaf also has potential as forage for cattle and sheep. Crude protein content is between 15 and 22 percent depending on the part of the plant used, with leaves higher in protein than stems. If the crop is grown for forage only, farmers can get two cuttings per growing season. If the stems are harvested for fiber, the upper 2 to 3 feet of the plants can be ground and used as a feed ingredient.

Low Yields Slow Milkweed Development

Two milkweed species, common and showy milkweed, are being grown in Nebraska for their floss. The floss, the plants' natural medium of seed dispersal, interests entrepreneurs and scientists for use in insulated clothing, nonwoven textiles, and tissue paper.

During World War II, milkweed floss was substituted for kapok in life jackets. In the 1970's, the Department of Energy, Standard Oil of Ohio, and other establishments conducted research on the milky latex of the plant as an energy source. When research was discontinued, an individual at Standard Oil saw greater market potential in the floss than the latex. As a result, Natural Fibers Corporation (no connection with Natural Fibers of Louisiana, Inc.) was formed to study and commercialize milkweed floss.

Milkweed has been produced in Nebraska for 4 years as part of the company's experiments, with approximately 160 acres being grown this year. The plant is a perennial; commercial stands should last 5 to 10 years. About 20 inches of water are needed annually to maintain plant populations and promote pod formation.

Low yield is the major factor holding back the development of milkweed as a commercial crop. Yields in research plots during the last 5 years have averaged about 400 pounds of floss per acre, but those results have not been duplicated under field conditions.

Weeds, such as nightshade and foxtail, and diseases, such as black leaf spot and bacterial blight, have been major problems. In 1990, the average commercial yield was only 6 pounds of floss per acre, but that was double the 1989 average. The best field produced 28 pounds per acre, almost triple the highest yield in 1989. Half the fields in 1990 had no yield at all.

The University of Nebraska has modified a self-propelled corn picker to harvest milkweed pods. The pods are harvested in August while they are green, to prevent floss degradation and loss. After harvest, the pods are cracked open in a "conditioner" to expose the floss for drying.

A two-step drying process reduces moisture from about 80 percent to about 10 percent. After drying, the floss is mechanically separated from pod shells, seeds, and other debris. About 500 pods are required to produce a pound of floss.

Milkweed's Potential As Fiber & Filler

Milkweed floss is a hollow fiber of about the same density as high-quality goose or duck down. Tests conducted at Kansas State University show that the floss is a better insulator than goose or duck down. The fibers are covered with a natural wax, making them water resistant. Also, because the fibers are made of cellulose, they should not produce allergic reactions. In laboratory and consumer tests, allergic responses have been negligible.

These characteristics, combined with the light weight of the floss, make it a good candidate for filler in comforters, sleeping bags, and insulated clothing. Natural Fibers Corporation is manufacturing comforters filled with a mixture of milkweed floss and goose down.

Textile experts at the University of Nebraska are examining the use of milkweed floss in nonwoven batting. A batt of 60 percent floss and 40 percent synthetic fiber had an insulative capacity comparable to Thinsulate and withstood dry cleaning just as well. Researchers are currently evaluating a batt containing 85 percent floss.

Natural Fibers Corporation, the University of Nebraska, USDA's Cooperative State Research Service, and four Nebraska farmers are working together to over-

Milkweed

come the technical barriers to milkweed production and product use. Short-term research priorities include:

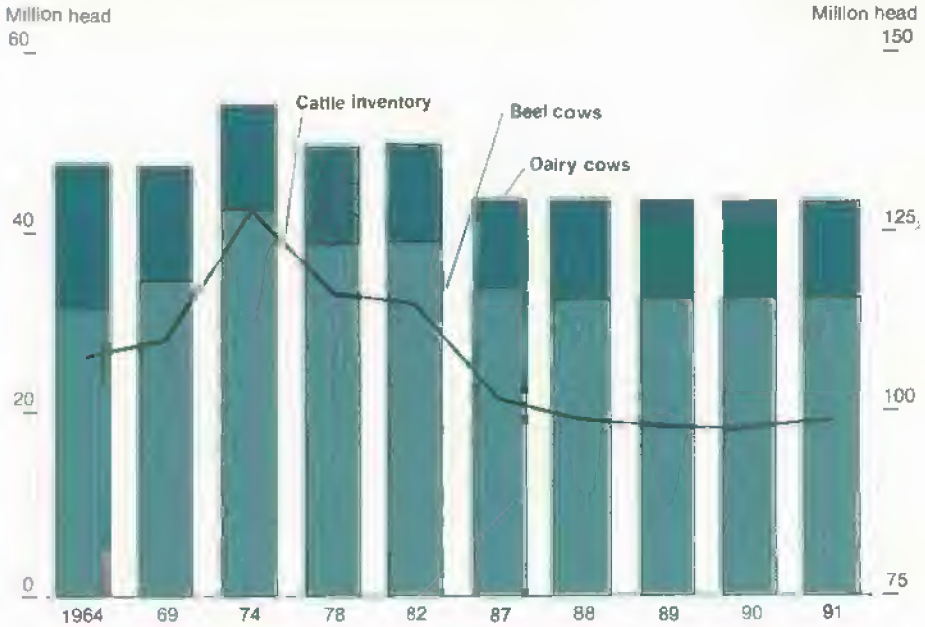
- improving yields through plant selection and disease control;
- documenting floss characteristics like fiber length, fineness, and maturity, using techniques developed by the cotton and wool industries; and
- preventing fiber matting in loose-fill products (in items like comforters and jackets, 100-percent milkweed floss tends to mat together and form lumps with use and cleaning).

As yields and production increase, milkweed floss could be competitive in higher volume, lower value markets, such as textiles and high-quality papers. Adding floss to tissue paper, for example, makes it softer. In addition, milkweed floss absorbs 75 times its weight in liquid once the fibers are stripped of their wax. Because of this property, possible uses include disposable diapers and other superabsorbent products. *[Lewrene Glaser (202) 219-0888]* AO

Alternative Forage Acreage Expanding

Crop production is the primary use of the vast U.S. agricultural land base, with cattle and other livestock production a residual user. In 1987, 305 million acres were in principal crops, 656 million in pastures and ranges, and 236 million in forest, the Conservation Reserve Program, and idled acreage. Cattle can be maintained on the vast noncropland forage base and on crop residues, exploiting both these extensive resources for a high-value food product—meat.

Beef Cow Numbers Sustain Cattle Herd Expansion



Much of the grazing land is either acreage that is temporarily removed from crop production, or land that remains in grass because it is too poor in quality or too fragile for crop production. Poor moisture conditions, rocky or uneven topography (subject to erosion if cropped), or tree or forest coverage keep much of this land from being used for crop production.

However, both the forage base and the beef production mix have shifted, and changes within each of these two broad categories have been even more dramatic. The shift has resulted in an expanding forage base at the same time the cattle industry is moving toward increasingly heavy, but leaner, fed cattle at slaughter.

June Pasture & Range Conditions Good

Pasture and range conditions on July 1 were rated good to excellent, the highest rating for this date since 1983 and much improved from the poor-to-fair conditions reported in most of the country last fall through mid-winter. While drought is a fact of life for many cattle operators, the past decade has been especially dry.

Dry conditions were particularly pervasive in the Western states during the 1980's. However, reduced cattle inventories and a broader forage base from crop acreage have provided an important buffer in drought-designated areas, reducing forced liquidation of the beef breeding herd.

Hay acreage is another important component of the forage base in the cattle sector. Harvested hay allows the producer to support more cattle on pastures and ranges during the better growing seasons by providing an additional forage supplement for nutritional needs during the nongrowing season and during severe winter weather.

Hay acreage has increased since the 1988 drought that resulted in sharply reduced hay stocks. The May 1 stocks were nearly unchanged from a year ago, but up 55 percent from the 1989 low. Area for harvest is expected to rise 1.5 million acres this year as cattle producers ensure adequate forage supplies to support an expanding cattle inventory.

Commodity Spotlight

Farm Act Opens Up More Forage Acreage

Forage land available for cattle raising is largely dependent on the demand for crop acreage. However, in recent years the forage base has been further expanded, particularly in drought designated areas. This expansion is due to grazing provisions first enacted in the 1985 farm act and continued in the 1990 legislation.

Land idled under the Acreage Reduction Program and paid land diversion scheme may be grazed during the seven nongrowing months—October to April in most areas. Producers are required to maintain sufficient growth of the mandatory cover crop to conserve soil and water for the idled cropland to be grazed or harvested for hay. Although much of this land is not fenced, it does provide an excellent emergency source of pasture or hay in areas where drought has reduced forage supplies.

Long-term Conservation Reserve Program (CRP) acreage has also provided an additional source of valuable forage in drought-declared areas. The acreage enrolled in the CRP has expanded steadily since enrollment began in 1986. Through this summer, 34.5 million acres have been accepted for enrollment.

Pasture & Range Acreage Were Steady in 1980's

While grazing and/or haying on set-aside or conservation acreage has expanded, permanent pasture and range acreage (the main sources of grazing) have shown a slight downward trend. Cropland pasture, with stocking rates of 2 to 4 acres per cow, is the most productive acreage. This acreage has declined from the 1969 peak of 88 million acres as more acreage was bid back to crop production to satisfy an expanding export demand for grain. Cropland pasture remained unchanged in the 1980's at 65 million acres.

Similarly, grassland pasture and range also have declined since the 1960's. However, since 1969 the acreage has remained between 587 and 598 million acres. This acreage has long served as the primary resource base for the beef cattle industry. The amount of this land on which beef cattle can graze continually (carrying capacity) varies from 5 acres to several hundred acres per cow, depending on the region and length of growing season.

Forest land for grazing has declined steadily since the 1960's. While representing a significant proportion of the nation's agricultural acreage, forest land is limited in total carrying capacity and grazing is highly seasonal in most areas. Cropland pasture, while representing a much smaller proportion of the total acreage, makes a comparatively greater contribution to beef production. However, use of forest land for grazing can be very important in some areas, particularly in the West and Southeast.

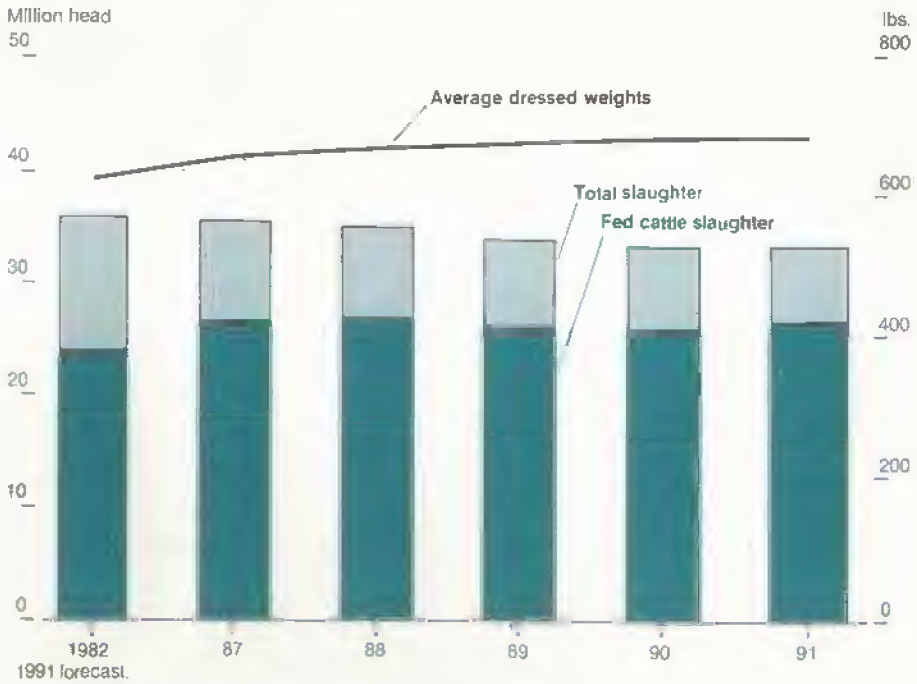
Herd Expanding, Cattle Mix Shifting

Cattle inventories have been modestly rising since the cyclical low of 98.2 million head was reached at the beginning of 1989. Adjustments have continued within the cattle inventory as the industry has attempted to increase productivity, better utilize available resources, and hold costs down. These shifts are expected to continue as pork and poultry supplies increase at low prices relative to beef.

Although the beef cattle inventory has largely been declining for the last two cattle cycles, beef production has remained in the range of 21 to 24 billion pounds per year during the 1980's. Throughout this period, fluctuations above 23 billion pounds have been largely due to increases in nonfed steer and heifer, and cow slaughter associated with herd liquidations.

Alternately, production has been maintained in recent years by channeling nearly all steers and heifers through feedlots, including an increasingly large proportion of the calves that were previously

Average Dressed Weights Rise With Increased Fed Cattle Slaughter



slaughtered to produce veal. In 1990, fed steer and heifer slaughter accounted for nearly 80 percent of commercial cattle slaughter, up from an average of 75 percent in the early 1980's. The remainder consisted of cull dairy and beef cows, bulls, and stags.

As this shift occurred, commercial slaughter weights increased, as steers and heifers produce heavier and higher yielding carcasses than the cull breeding stock.

Higher Weights, Output Offsetting Smaller Herds

Commercial dressed weights averaged 624 pounds in 1982, but are likely to average well over 680 pounds in the 1990's. Fed cattle marketings have remained within 2 million head of 26 million head per year since the early 1980's. At the same time, the amount of fed beef produced has increased, as slaughter weights have risen dramatically, nearly keeping pace with population growth.

Slaughter weights have also shifted upward due to changes in the genetic mix of cattle as producers concentrate on increasing production efficiency while reducing the amount of trimmable fat. Present feeding technologies and genetic changes, along with increased emphasis on producing lean beef, are resulting in cattle being slaughtered at heavier weights with fewer overfinishing problems. In fact, as weights have risen at a record pace over the past several quarters, feedlots have remained very current.

Even as the proportion of fed beef marketed from feedlots has risen, the advances in genetics and feeding technology have resulted in little change in the amount of grain used in producing the heavier weights. Beef calves today are weaned at much heavier weights and increasingly are grazed as stocker-feeders to achieve even heavier weights before being placed on feed. Consequently, the amount of grain fed per pound of beef produced has declined and leaner, more efficient cattle are being produced.

Forage Supplies Adequate Through the 1990's

As the cattle industry continues its modest expansion, and stocker-feeder cattle are grown to heavier weights before being placed on feed, increased pressure will be placed on available forage supplies later in the decade. Although excess forage capacity will be more than adequate for expected expansion through the mid- to late 1990's, pressures on resources will become evident, particularly during periods of drought.

Herd expansion pressures are likely to be muted as the CRP acreage begins to come out of contract in 1996. Little of this land is likely to be needed for crop production and will probably remain in conserving uses with good forage cover, with some acreage shifted to trees. *[Ron Gustafson (202) 219-1286]* AO

Ag Products Expand Fertilizer Trade

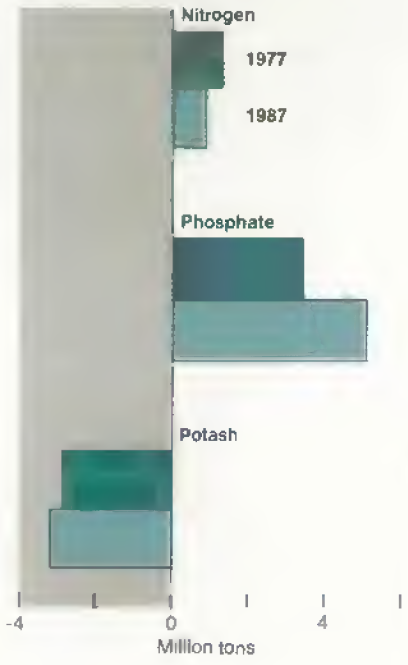
International markets provide important direct and indirect outlets for the U.S. fertilizer industry. In addition to the direct trade in fertilizer materials, an "indirect" trade in fertilizer is generated by agricultural commodities produced for export. While fertilizer use per unit of output generally decreased between 1977 and 1987, research shows that the share of fertilizer nutrients used on exported crops increased.

Fertilizer intensity is a measure of the fertilizers (nitrogen, phosphate, and potash) used to produce a unit of agricultural output. Food and feed grains have the highest fertilizer intensity. Fertilizer intensity dropped during 1977-87. For example, 229 nutrient tons of nitrogen were used to produce $1 million of feed grains in 1977. By 1987, only 187 nutrient tons were required to produce the same output (in constant 1977 prices).

In 1987, the U.S. exported 4.17 million tons more phosphate material than it imported. By contrast, net imports of nitrogen and potash stood at 1.1 million and 3.7 million nutrient tons. Net direct imports of potash changed little from

World Agriculture & Trade

Net Direct Exports of Phosphate Grow



1977, while net direct imports of nitrogen nearly doubled. Net direct exports of phosphate likewise increased.

"Indirect" Trade Adds To Exports

Indirect trade in these fertilizer materials, however, changes the net export picture. When both direct and indirect trade in fertilizer are considered, the U.S. has even larger net exports of phosphate. Its net imports of potash, the largely foreign-dependent material, are smaller, and it switches from a net importer to a net exporter of nitrogen.

ERS research found that U.S. farmers used 2.1 million nutrient tons of nitrogen, 1.3 million tons of phosphates, and 1.2 million tons of potash to produce agricultural exports worth $23.6 billion in 1977.

If the $6.7 billion of U.S. competitive agricultural imports in 1977 had been produced domestically, it is estimated that 245,000 tons of nitrogen, 142,000 tons of phosphates, and 136,000 tons of potash would have been used. So, net indirect exports of fertilizer nutrients for 1977 amounted to 1.9 million tons of nitrogen, 1.1 million tons of phosphates, and 1.1 million tons of potash.

The U.S. clearly used more fertilizer nutrients in producing exports than it saved on imports in both 1977 and 1987. One reason is that U.S. farm exports are more fertilizer intensive than imported commodities. In producing the $27.9 billion of agricultural products the U.S. exported in 1987 (in constant 1977 prices), farmers used 2.4 million nutrient tons of nitrogen, 1.1 million tons of phosphates, and 1.1 million tons of potash.

The quantity of fertilizer materials that would have been necessary to produce the $9.7 billion of U.S. farm imports in 1987 was considerably less. The net indirect export of fertilizer nutrients was 2 million tons of nitrogen, 894,000 tons of phosphates, and 578,000 tons of potash.

If direct and indirect fertilizer exports for 1987 are taken together, U.S. net exports of phosphate materials rise to 5.1 million tons. Instead of a net importer of nitrogen, the U.S. becomes a net exporter of close to 1 million tons, and net imports of potash are reduced from 3.7 million tons to 3.1 million.

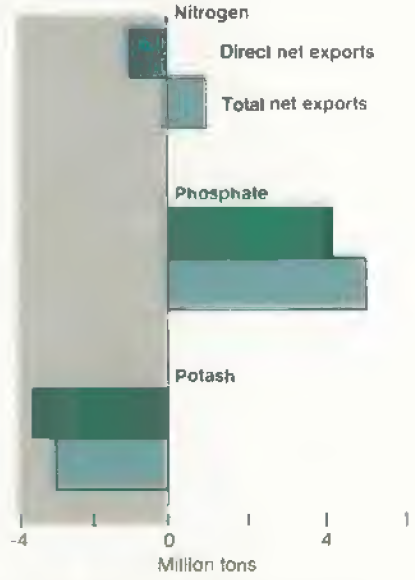
Fertilizer Intensity of Exports Has Grown

Although agricultural exports in 1987 were higher than in 1977, lower phosphate and potash input were required. Also, total fertilizer use for all farm production in 1987 was lower than in 1977, but the share of fertilizers used for export crops increased. In 1977, the proportions of nitrogen, phosphates, and potash used for exports were 22, 24, and 22 percent. Ten years later, the percentages stood at 27, 27, and 26.

These changes reflect several influences. More fertilizer-intensive commodities such as food grains, feed grains, oil crops, and cotton and their products were exported in 1987 than in 1977. This parallels earlier findings that U.S. agricultural exports are more land intensive than imports (see *AO*, April 1991).

Net exports of phosphate increased from 1977 to 1987, while net imports of potash decreased slightly. Although fertilizer intensity generally decreased during this period, the percent of fertilizer nutrients directly and indirectly exported increased. The indirect trade in fertilizer generated by major U.S. agricultural export commodities provides important markets for the fertilizer industry. *[Chin Lee (202) 219-0785 and Harold Taylor (202) 219-0464]* AO

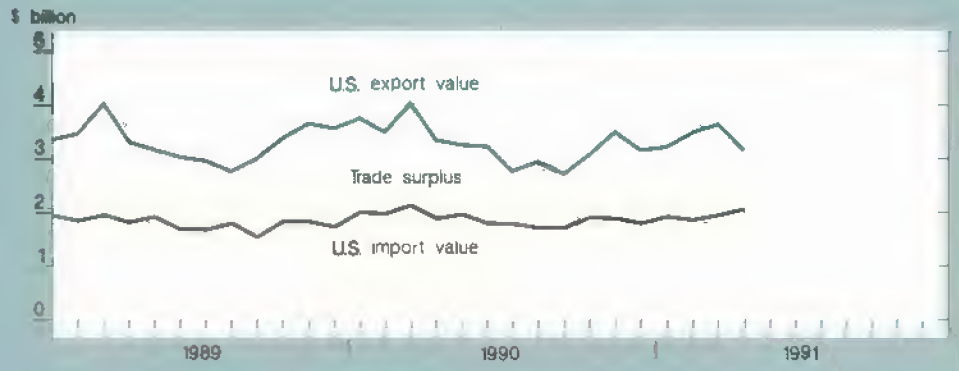
Indirect Exports Make U.S. a Net Exporter of Nitrogen



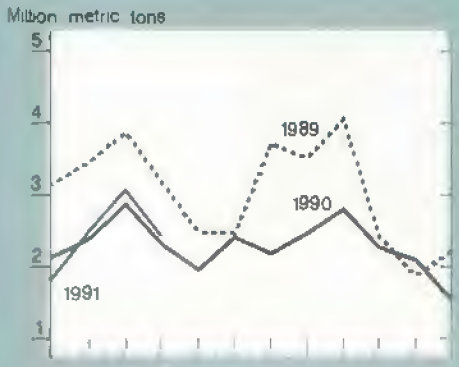
1987 data. Total includes direct and indirect exports (fertilizer applied to exported crops).

U.S. Trade Indicators

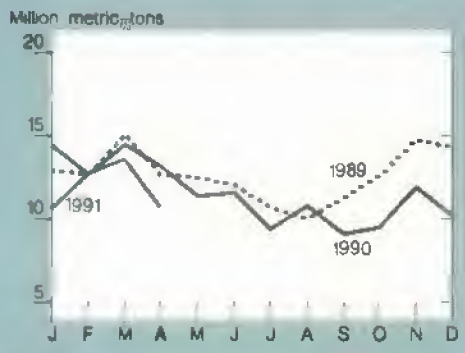
U.S. agricultural trade balance



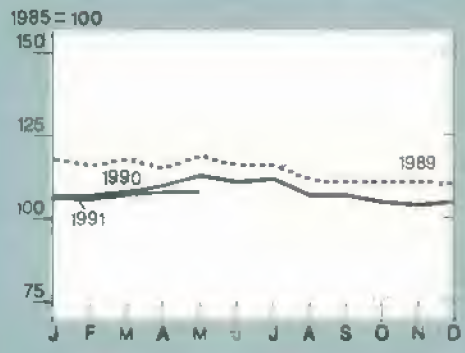
U.S. wheat exports



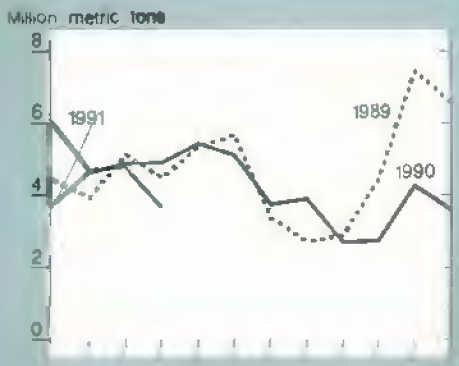
Export volume



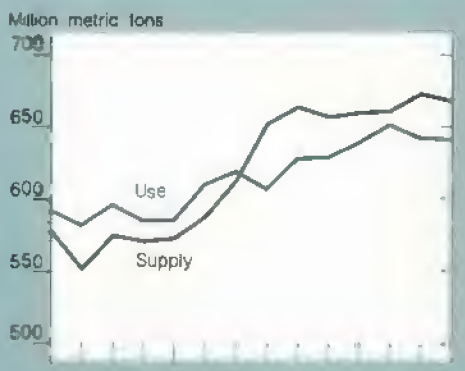
Index of export prices



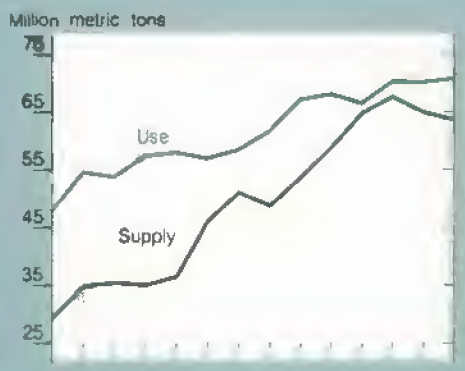
U.S. corn exports



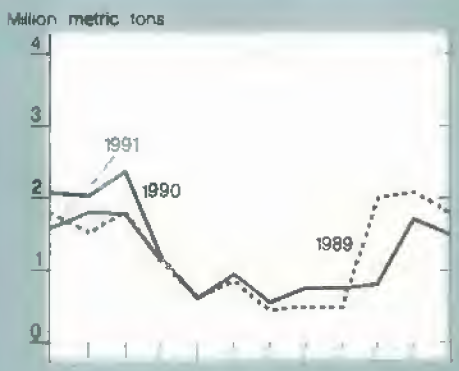
Foreign supply & use of coarse grains



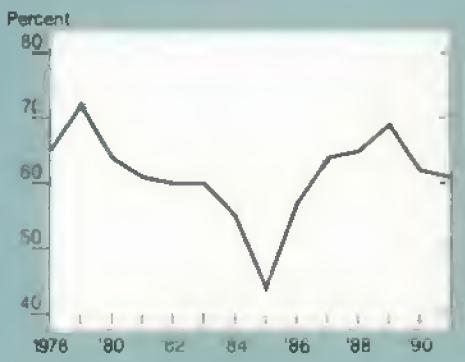
Foreign supply & use of soybeans



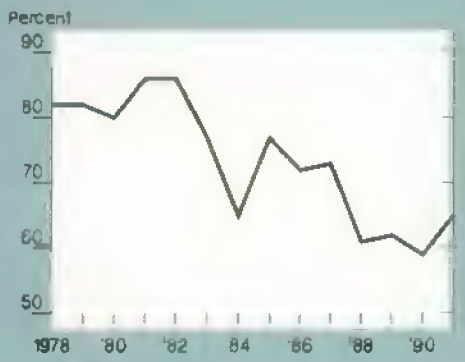
U.S. soybean exports



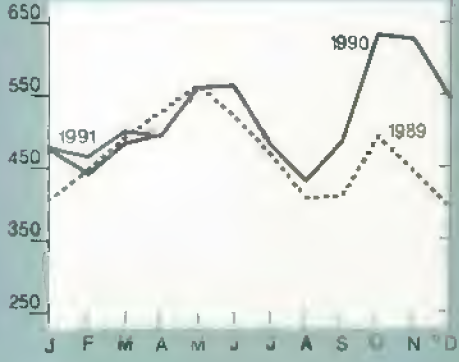
U.S. share of world coarse grains exports[1,2]



U.S. share of world soybean exports[1,2]



U.S. fruit & vegetable exports[3]



[1]Excluding intra-EC trade [2]October-September years [3]Includes fruit juices.

Reform Poses Risk for Rural Banks

Congress is considering several proposals that could radically restructure the U.S. banking system. Commercial banks account for the largest share of credit to farmers (35 percent in 1990) and are the primary source of credit to rural nonfarm businesses. As a result, farmers and other rural residents have a significant stake in the final outcome of the reform debate.

The centerpiece of bank reform, H.R.1505, the "Financial Institutions Safety and Consumer Choice Act of 1991" considers the following major steps:

- recapitalizing the Bank Insurance Fund (BIF),
- restructuring the deposit insurance system,
- reorganizing the Federal bank regulatory agencies,
- removing geographic restrictions on bank expansion,
- allowing banks to diversify their activities, and
- permitting nonfinancial firms to own banks.

Whether all of these issues will be covered in the final legislative package is an open question. The BIF recapitalization is certain to be addressed, and some restructuring of the deposit insurance system is highly likely.

However, possible disagreement among bank regulators (the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision, and the Office of the Comptroller of the Currency) could stall reorganization of the regulatory system. And controversy surrounding proposals for nationwide banking and removal of the separation between banking and commerce make the outcome hard to predict.

Reform Could Reduce Number of Rural Banks

The vast majority of rural banks are small and serve local markets. Unlike the Bank Insurance Fund, most rural banks are in sound financial shape. And although higher deposit insurance fees will add to operating costs, this would not threaten the overall financial health of most rural banks.

Likewise, removing restrictions on nationwide branching would increase competition for customers in some markets, but the available evidence suggests that most small rural banks would continue to thrive in those markets under the current deposit insurance system.

But if legislation significantly reduces insurance coverage for depositors at most banks while maintaining a "too big to fail" policy for large banks, then nationwide banking, product deregulation, and continued reliance on domestic deposits for insurance assessments could seriously hinder small banks' ability to compete. One result could be a significant reduction in the number of small independent banks, including those serving rural credit needs.

The effect of bank reform on rural borrowers will depend not only on the specific provisions of the final legislation, but on local financial market conditions as well. Because the geographic market for bank loans tends to be fairly small, limiting competition among rural lenders, these banks will tend to pass increases in operating expenses on to their borrowers.

While competition from the Farm Credit System could hold down interest rates on farm loans, lack of competition for nonfarm loans could lead to higher interest rates in some markets if reform increases bank operating costs. This in turn would dampen development prospects of many rural communities.

Bank Insurance Fund To Be Recapitalized

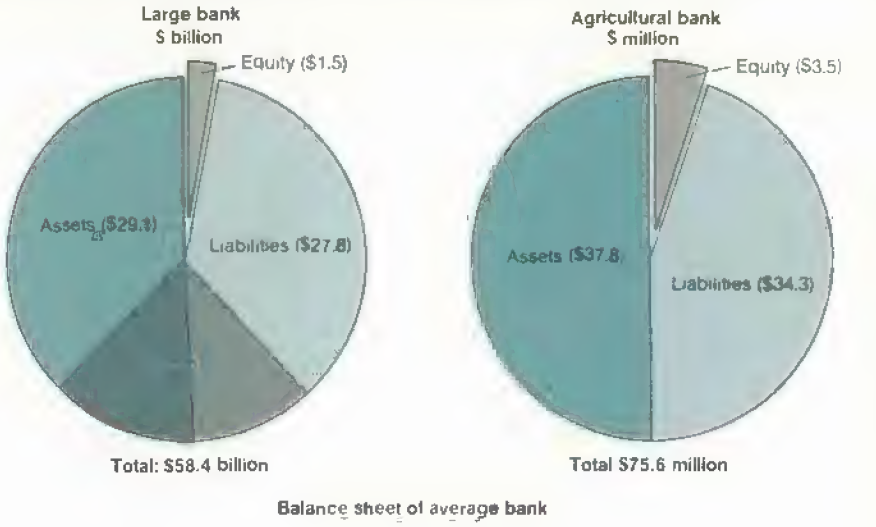
Impending insolvency of the BIF makes recapitalization of the fund critical.

Basing Deposit Insurance Fee on Total Assets Would Reduce Burden on Agricultural Banks

Item assessed	Large banks		Agricultural banks	
	Total fee per bank	Fee per $100 of assets	Total fee per bank	Fee per $100 of assets
	$1,000	*$*	*$1,000*	*$*
Domestic deposits	33,042	0.113	76.8	0.203
Total deposits	41,804	0.143	66.9	0.177
Total liabilities	45,771	0.157	62.4	0.165
Total assets	65,081	0.154	58.3	0.154

Large bank figures are based on mean values for the 45 largest U.S. banks, agricultural bank figures are based on mean values for the 4,193 agricultural banks. The analysis holds total FDIC insurance fee receipts constant at the current level.

Agricultural Banks Have a Higher Level of Capitalization Than Large Banks



Based on all U.S. banks with over $10 billion in assets (large banks) and all banks with greater than the national average ratio of agricultural loans to total loans (agricultural banks)

Assets of the BIF are comprised of fees paid by insured banks and earnings on investments. Its liabilities are obligations incurred when insured banks fail. As the BIF's expenses for bank failures have risen in recent years, its reserves have declined sharply.

At the end of 1990, the BIF had assets of $16.4 billion and liabilities of $8 billion, leaving a reserve of $8.4 billion. The FDIC, which administers the BIF, currently projects the reserve will be depleted in 1991 and that the BIF will have a deficit of $11 billion by the end of 1992.

Since the FDIC's working capital depends on the size of its reserves, in the absence of recapitalization the FDIC would soon be unable to close insolvent banks. The result threatens a replay of the savings and loan debacle of the 1980's, when insolvent thrifts lost additional billions because the federal agency that insured their deposits could not afford to close them.

To avoid this situation, pending legislation would give the FDIC increased temporary funding for the timely closing of failed institutions.

The deposit insurance fee paid by banks to the FDIC is a fixed percentage of total domestic deposits. To compensate for the depletion of bank insurance fund reserves, Congress in 1989 raised the insurance fee. The fee increased 177 percent between December 1989 and July 1991, to $0.23 per $100 of domestic deposits.

If the typical agricultural bank absorbed the entire increase in operating cost from retained earnings, its annual lending could decrease $185,000 relative to the pre-1990 fee. However, the reduction in lending would reach $380,000 if the entire drop in retained earnings were absorbed by the loan portfolio.

The 1989 legislation also lifted the statutory ceiling on deposit insurance fees, opening the door to additional increases in the future.

New Fee Structure May Reflect Risk

The deposit insurance system currently places a disproportionate burden on banks with relatively safe portfolios and on small banks in general. Deposit insurance fees are unrelated to the riskiness of bank assets, creating a situation in which bank failure becomes more likely.

If a bank is having financial problems, management may make riskier loans and investments in the hope of earning the higher returns needed to grow. Depositors, insured against loss, have no incentive to monitor a bank's risk-taking. But such a bank pays insurance fees at the same rate as other banks.

Additionally, the deposit insurance fee is assessed only on domestic deposits even though the insurance fund often covers losses on foreign deposits and other liabilities. Large banks hold a smaller portion of their liabilities in the form of deposits than small banks, and many large banks hold significant foreign deposits. Small banks typically do not hold foreign deposits.

As a result, under the current insurance scheme small banks and those least likely to fail pay a higher price for insurance than larger banks and those taking significant risks.

The proposals for restructuring deposit insurance operations include scaling insurance fees to the riskiness of a bank's portfolio, assessing fees against bank asset levels instead of deposits, requiring deposits to be fully backed by Treasury securities, and assessing fees on foreign deposits.

While the final form of restructuring isn't yet known, there is some chance that the new premium structure will more closely reflect risk. Given the current insurance scheme, restructuring the system should benefit agricultural and rural banks.

"Too Big To Fail" Policy Hurts Small Banks

From the perspective of small banks, the inequities of the current insurance fee schedule are compounded by regulators' decision that some banks are "too big to fail" because of the threat to the stability of the entire banking system. In practice, deposits in excess of the $100,000 insurance limit are reimbursed when a big bank fails.

Farm Finance

Small Banks Pay Higher Per-Dollar Insurance Fee

Several aspects of the balance sheets of small and large banks effectively shift the burden of deposit insurance funding toward small banks. Critical differences between the balance sheet of an average agricultural bank and a large commercial bank include:

- the small bank's much higher proportion of domestic deposits to total liabilities,
- absence of foreign loans and deposits in small banks, and
- their higher proportion of capital to assets.

A comparison of the ratio of insurance fees to assets for a typical large bank and an agricultural bank reveals important differences. Because only domestic deposits are considered when assessing deposit insurance fees, agricultural banks on average pay a much higher fee per dollar of assets than large banks, and for more limited insurance coverage.

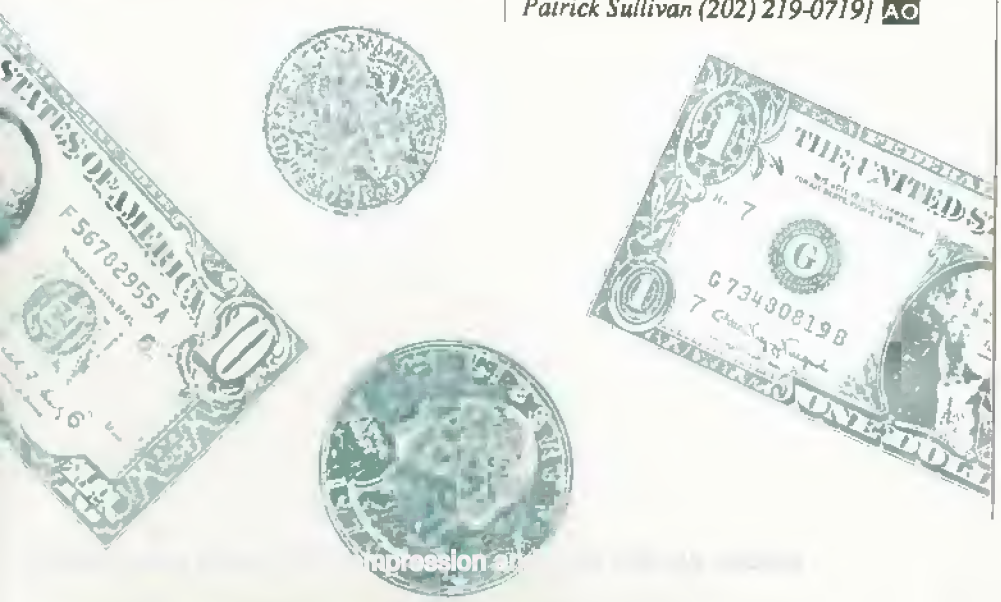
Assessing either total assets or total liabilities could distribute the burden more equitably. This change, however, would still not adjust for the differential risk associated with the portfolio of income-earning assets of each bank.

In contrast, when a small bank fails, some or all of the uninsured deposits can be lost. The competitive effects of "too big to fail" policies are currently muted because depositors can have multiple insured accounts at the same bank, providing insurance coverage far exceeding the $100,000 limit at even the smallest bank.

But deposit insurance reform could limit coverage of multiple accounts, making it harder for small banks to attract and hold large deposits. Proposals limiting coverage to $100,000 per depositor at any one bank are currently being considered. And some proponents of this change would like a lifetime limit of $100,000 in insurance coverage for all of a depositor's accounts, even if they are distributed among several financial institutions.

Other proposals would severely limit "too big to fail" policies in an effort to provide a more "level playing field" for banks of all sizes. Given the cost of the savings and loan bailout, considerable sentiment exists for limiting the Federal government's exposure to similar losses in the banking industry.

Since a "too big to fail" policy effectively insures all deposits at the biggest banks, uninsured deposits are likely to gravitate to those banks as long as the policy is the norm. Coverage limitations would actually help large banks, even those in danger of failing, to acquire more funds at lower interest rates than smaller banks, as long as depositors believed large banks are not allowed to fail. *[Doug Duncan (202) 219-0893 and Patrick Sullivan (202) 219-0719]* AO



General Economy

A New Expansion Underway?

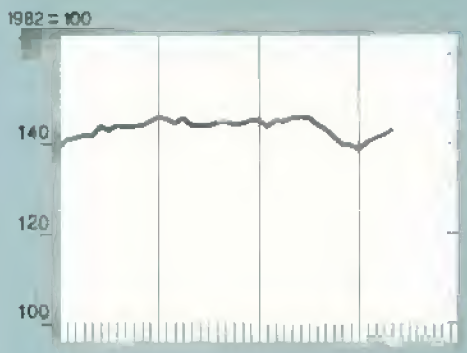
Second-quarter data strongly suggest that the recession ended sometime in April or May. Production rose during those months, in May consumer spending posted its biggest gain so far this year, and the second-quarter job decline was the smallest since the recession began. Despite the upward tilt of recent economic indicators, the economy is still operating at low levels and the unemployment rate is relatively high.

Many analysts believe the economy is poised to recover in the second half of this year. Interest-sensitive sectors, especially residential housing and automobiles, are likely to rebound most dramatically. However, the revival in U.S. spending could push the net export deficit slightly higher. Weak demand last year caused real imports to drop in the fourth quarter and the first quarter of this year, generating the first quarterly real net export surplus since the middle of 1983.

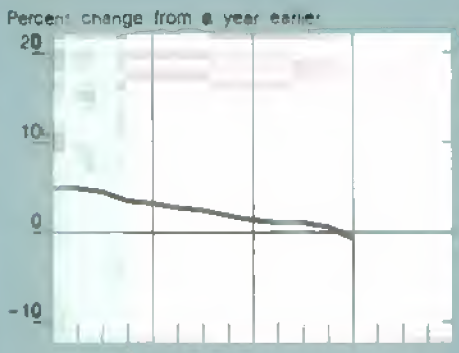
Inflation should remain moderate, barring any unanticipated rise in energy or food costs. The relatively high unemployment rate and low rates of

General Economic Indicators

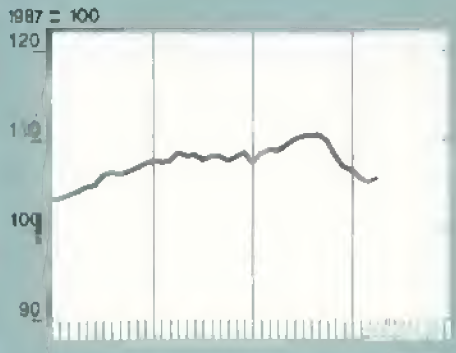
Composite leading economic indicators



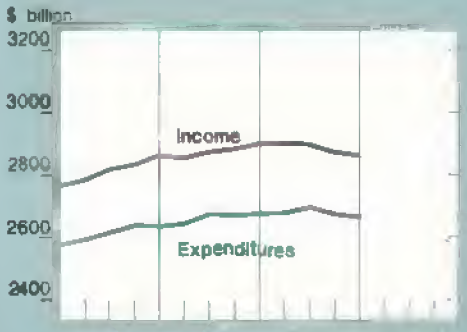
Gross national product[1]



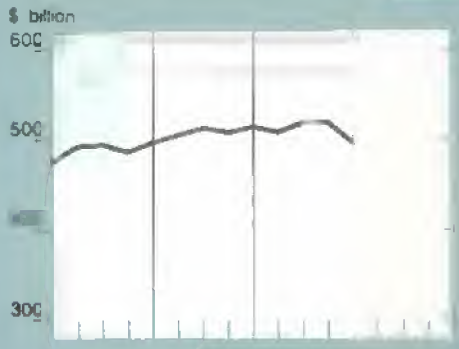
Industrial production



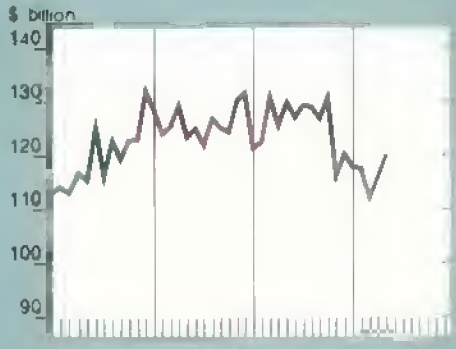
Disposable income and consumption expenditures[2]



Nonresidential fixed investment[2]

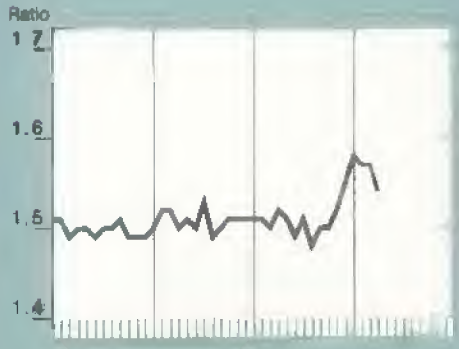


Manufacturers' durable goods orders[3]



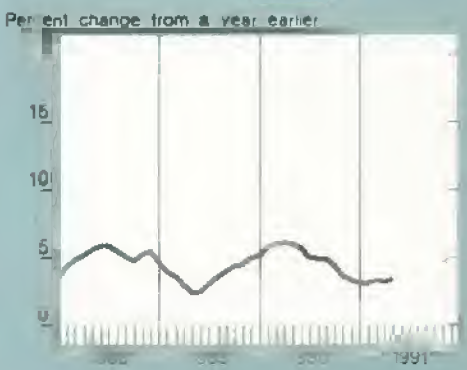
Consumer price index

Inventory/sales[4]

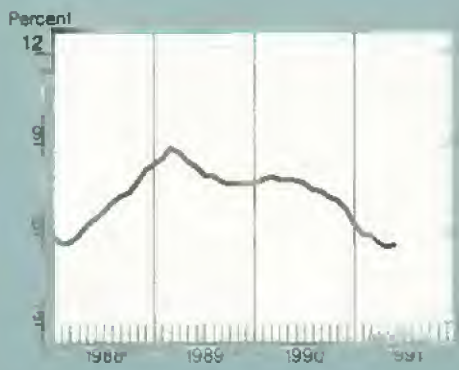


Unemployment rate[5]

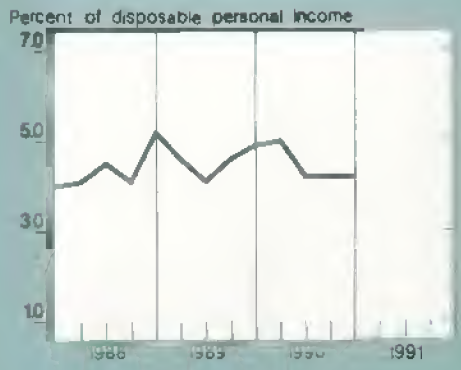
Money supply (M2)



3-month Treasury bill rate



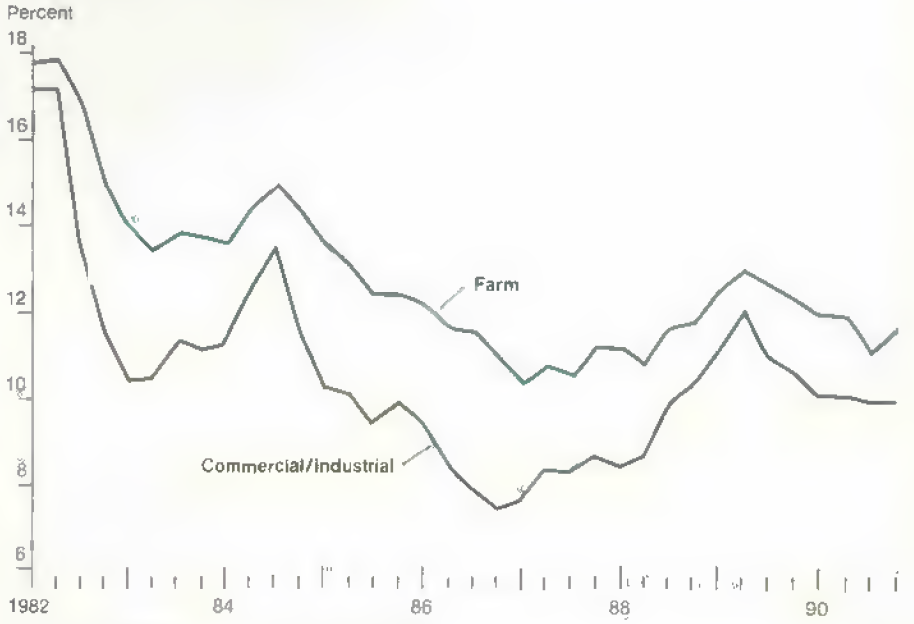
Savings rate[6]



[1]Percent change from a year earlier in 1982 dollars. Seasonally adjusted annual rates. [2]Billions of 1982 dollars, seasonally adjusted at annual rates.
[3]Nominal dollars. [4]Manufacturing and trade seasonally adjusted, based on 1982 dollar. [5]Seasonally adjusted.
[6]Calculated from disposition of personal income in 1982 dollars, seasonally adjusted at annual rates.
Sources: U.S. Dept. of Commerce, U.S. Dept. of Labor, and the Board of Governors of the Federal Reserve System.

General Economy

Farm Interest Rates Have Been Higher Than Commercial/Industrial Rates Since the 1981-82 Recession



Data are for February, May, August, and November.

capacity use in many industries will dampen inflationary pressures. Continued moderation of core inflation would allow interest rates to drift lower, although rapid growth would tend to increase credit demands and push rates up. If lower inflation appears to be permanent, long-term rates may drop somewhat more than short rates.

Production Climbs & Job Losses Slow

Industrial production rose 1.5 percent in the second quarter, the first quarterly increase since third-quarter 1990. Rising auto production helped spur the overall increase. Capacity utilization remained relatively low in the second quarter, about 5.8 percentage points below the peak received in the second quarter of 1989.

The rise in manufacturing production bodes well for other sectors of the economy. The manufacturing sector, for example, buys about 25 percent of the services the economy provides.

Total nonagricultural payroll employment continued to decline in the second quarter, but at a slower rate than previously. In fact, employment rose by 119,000 jobs in May, the first increase since the beginning of the recession. Furthermore, the 50,000 June job losses were substantially fewer than the 144,000 average monthly jobs lost over the past 11 months.

Overall, employment in June was almost at the same level as in March. Service-producing employment increases over the past 2 months boosted the May gain and offset some of the June decline. In the manufacturing sector, average weekly hours of production or nonsupervisory workers increased in the second quarter, the first rise since the beginning of the recession.

Despite the current job gains, the unemployment rate remains relatively high. At 6.8 percent for the second quarter, the rate was 1.5 percentage points above the first quarter of 1990. But during recoveries, improvement in the unemployment rate typically lags increases in the number of jobs, as rising job prospects bring more people into the labor force. The larger number of people looking for work tends to keep the unemployment rate from falling.

Inflation Remains Moderate

Steady overall consumer price inflation in the second quarter masked substantial variation among the components. Prices rose 3.6 percent at an annual rate in the first quarter, and 2.1 percent in the second. Energy prices jumped in May after falling for 5 straight months. Food prices rose more sharply in the second quarter than the first.

The core inflation rate, measured by consumer prices excluding food and energy, was 3.2 percent in the second quarter, well below the 6.9-percent pace of the first. The decline in the core inflation rate reflects slack in the overall economy and the indirect effects of falling energy costs since the fourth quarter of last year.

Short-term Interest Rates Dropping

Short-term interest rates continued to slide in the second quarter, reaching their lowest levels since the middle of 1987. The Federal Reserve appears to be targeting the Federal funds rate—the rate at which banks lend among themselves—at about 5.75 percent, approximately 2.5 percentage points below last October's rate. The falling Federal funds rate has translated into lower short-term rates overall, including a lower bank prime rate.

Long-term rates have been relatively stable since December 1990. Analysts have suggested that the primary reason long rates have not fallen in lockstep with short rates is a concern that the economic recovery would accelerate inflation.

Comparing Farm & Nonfarm Rates

Not all sectors of the economy encounter the same interest rates. Preliminary analysis of the Fed's bank lending data suggests that farm interest rates are slightly higher on average than rates for commercial and industrial borrowers. Also,

General Economy

farm rates tend to be less volatile than rates for commercial and industrial borrowers.

In general, changes in farm rates have mirrored movements in commercial and industrial loan rates. However, the relationship between farm rates and other commercial rates was notably different in 1977-81 than in the 1982-90 period. During 1977-81, agricultural loan rates were quite close to commercial and industrial rates. On average, commercial loan rates were 43 basis points above agricultural loan rates.

In the midst of the 1981-82 recession, however, commercial rates began to drop significantly below farm loan rates. The widest spread, 366 basis points, was in August 1986. The spread narrowed to 97 basis points in May 1989. The latest report, November 1990, shows a divergence of 174 basis points between agricultural and commercial loan rates.

About the Data From The Federal Reserve...

Since 1977, the Federal Reserve has surveyed commercial banks on their terms of lending for both commercial-industrial and agricultural activities. The survey is conducted in the first full business week of the second month of each quarter. About 340 commercial banks complete the survey, with 250 banks reporting loans to farmers.

The survey provides details including the number of loans made and their amount, average loan size, average maturity, and the effective interest rate. In addition, the loans-to-farmers category divides the information by loan size and bank size, and includes interest rates by loan purpose (e.g., feeder livestock, farm machinery and equipment). Excluded from the survey are mortgage loans, purchased loans, foreign loans, and loans of less than $1,000.

Preliminary research using 1977-90 data shows that each percentage point change in commercial and industrial loans is associated with a change of about 70 basis points in the rate for agricultural loans. Between 1982 and 1990, this rose to about 81 basis points.

At least two major factors could explain the discrepancy between agricultural and other commercial rates. Lending for agricultural purposes may be seen by banks as more risky than lending for commercial and industrial activities. Second, the typical size of loans for agricultural purposes is much smaller than commercial and industrial loans. Explaining these differences will be the next step in the analysis.

Further Fall in Farm Rates Expected

While the most recent data on farm lending rates from the Federal Reserve Board are for November 1990, movements in the prime rate indicate farm lending rates have declined thus far this year. In the first 6 months of this year, the prime rate declined 1.5 percentage points, while farm loan rates are likely to have fallen slightly more than 1 percentage point.

Whether interest rates rise or fall in the second half depends largely on how quickly the economy recovers and what happens to inflation. Over the first 6 months of comparable recoveries, the bank prime rate has declined about 72 basis points on average. If previous recoveries are any guide, this suggests a further decline in agricultural interest rates in the second half. *[Elizabeth Mack and Ralph M. Monaco (202) 219-0782]* AO

Food & Marketing

Fast Food Changes Hit Fats Market

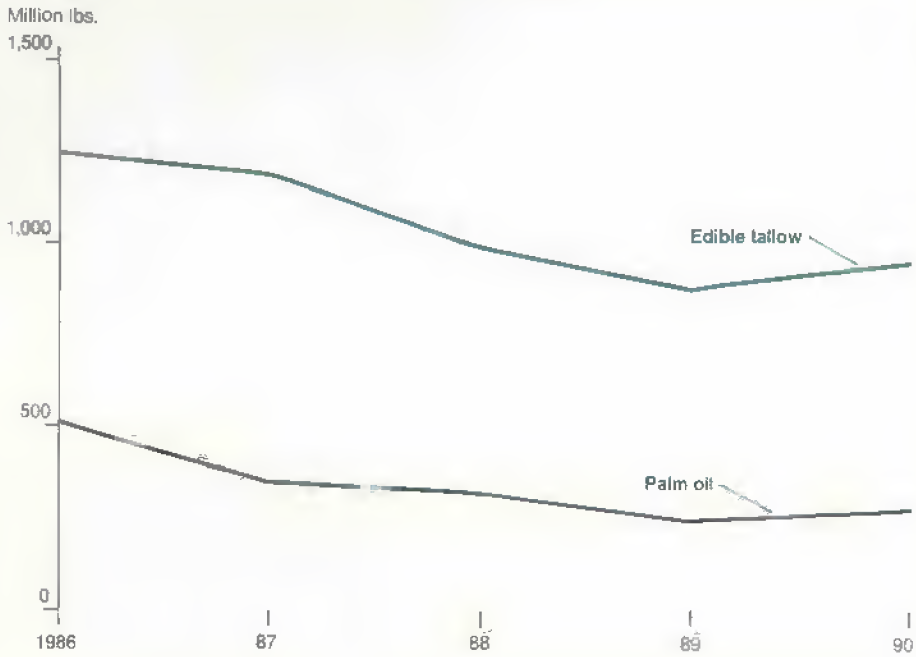
Just over a year ago, major fast food restaurants announced they would substitute vegetable oils for the edible tallow used to cook french fries. Vegetable oil markets have adjusted to the new market structure but the tallow industry is still reeling from a substantial cut in demand.

Domestic disappearance of edible tallow fell to 876 million pounds in 1989/90, down sharply from the 1985/86 peak of 1.65 billion pounds. This season, lower prices for edible tallow have boosted use slightly despite consumer preferences for vegetable oils. An increase in domestic disappearance to 950 million pounds is forecast for 1990/91, but exports will be weaker.

Except for some shortrun disruptions late last summer, when the price of corn oil jumped 3 cents a pound and some food manufacturers faced temporary shortages of corn oil, the vegetable oil sector has adapted to the fast food shift with minimal problems. Domestic use of corn and cottonseed oil is forecast to increase in 1990/91.

Food & Marketing

Domestic Use of Edible Tallow and Palm Oil Is Down



Animal fats—edible tallow, lard, and butter—have had a prominent place in the American kitchen for centuries, and are likely to remain important ingredients in foods and cooking for years to come. Vegetable oils and the shortenings manufactured from them are relatively recent arrivals in home and restaurant kitchens. Oils like canola (another name for the edible varieties of rapeseed oil) are even more recent newcomers.

Health Concerns Force Change

Frying with animal fats has long been popular among cooks and diners because fat cooks fast and produces foods with an attractive appearance and an appealing flavor. Tallow also costs less per pound than vegetable oils and is generally considered more "durable" than vegetable cooking oils and shortenings. Until recently, some of the biggest users of tallow have been commercial establishments, particularly fast food restaurants in preparing french fries.

The health concerns of consumers have led to a notable shift in attitudes toward fats and oils. Attention first focused on tropical oils (palm, palm kernel, and coconut oils) because of their relatively high saturated fat content. Food manufacturers began to replace tropical oils, and the claim "Contains no palm oil" appeared on a number of product labels. Domestic use of palm oil, nearly 600 million pounds in 1985/86, fell to just over 250 million in 1989/90.

Attention then shifted to the use of tallow by the fast food industry. In the summer of 1990, three major fast food restaurants responded to consumers' concerns about possible health risks of french fries cooked in tallow. Within a few days of each other, Burger King, Wendy's, and McDonald's announced they would shift to vegetable oil for their french fries. A fourth major chain, Hardee's, had already made the switch to vegetable oil. Although some restaurants still use tallow, their prospects for growth and influence are small compared with the big chains.

Nutrition data from Burger King, Wendy's, and McDonald's indicate that the change in frying fats reduces the saturated fat content of their french fries by about 50 percent.

Americans' average fat intake, expressed as the proportion of calories provided by fat, fell from 41.8 percent in 1977 to 37.3 percent in 1985. Despite that reduction, fat intake remains above the level (30 percent or less) recommended by the National Research Council of the National Academy of Sciences and by the American Heart Association.

Saturated Fat Levels Vary

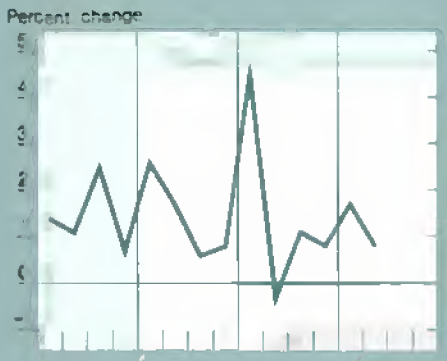
Fat/oil (1 tablespoon)	Saturated fat	Polyunsaturated fat	Monounsaturated fat
		Grams	
Beef tallow 1/	6.4	0.5	5.3
Beef tallow & cottonseed shortening for frying	5.7	1.1	4.9
Coconut oil 3/	11.8	0.2	0.8
Corn oil 3/	1.7	8.0	3.3
Cottonseed oil 3/	3.5	7.1	2.4
Olive oil 2/	1.8	1.1	9.9
Palm oil 3/	6.7	1.3	5.0
Peanut oil 2/	2.3	4.3	6.2
Canola 3/	0.9	4.5	7.6
Safflower oil 3/	1.2	10.1	1.6
Partially hydrogenated soy oil 3/	2.0	5.1	5.9
Sunflower oil 3/	1.4	8.9	2.7

Rows do not sum to total due to omission of other fat-like substances.
1/ 12.8 grams/tablespoon 2/ 13.5 grams/tablespoon 3/ 13.6 grams/tablespoon
Source: Science and Education Administration, USDA.

Food and Marketing Indicators

CPI: Total food*

CPI: Food at home*

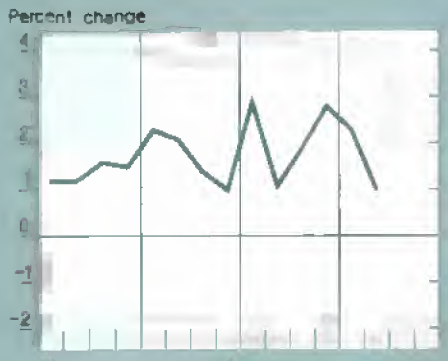


CPI: Food away from home*

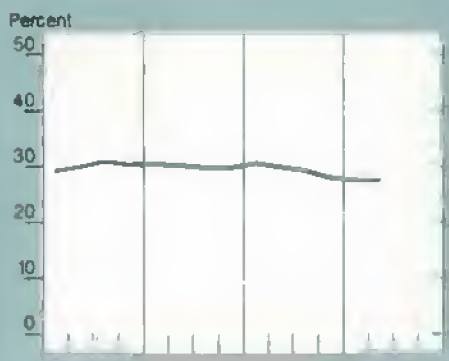
Retail cost of food[1]

Farm value of food[1]

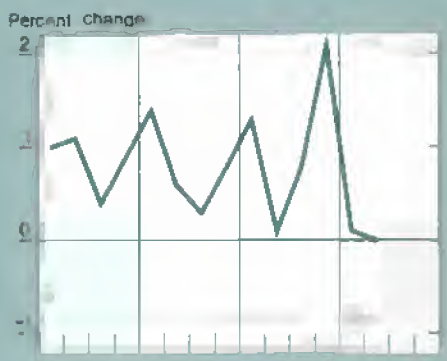
Farm-retail spread[1]



Farm value/retail cost[1]

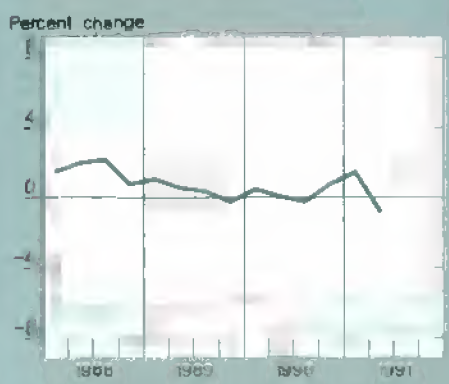


Food marketing cost index[2]

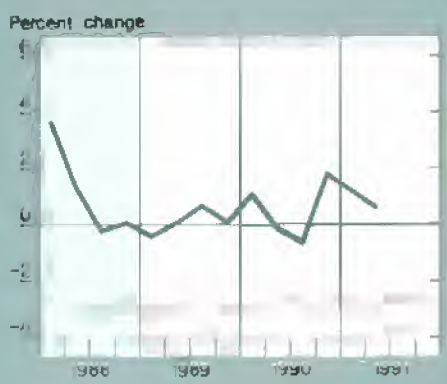


Index of hourly earnings[3,4]

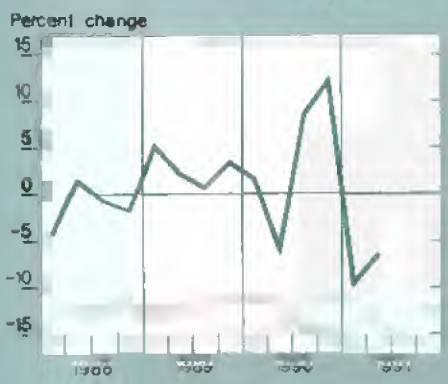
Index of packaging prices[4]



Index of rail freight rates[4]

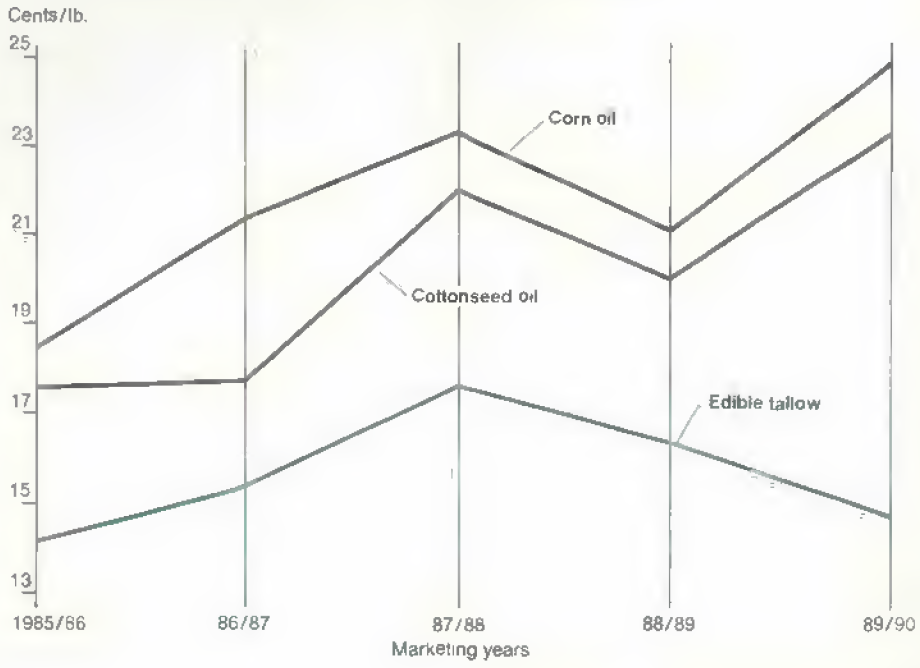


Index of energy rates[4]



*CPI unadjusted [1]Index based on market basket of farm foods [2]Index of changes in labor, packaging, transportation, energy, and other marketing costs [3]In food retailing, wholesaling, and processing [4]Component of food marketing cost index
All series expressed as percentage change from preceding quarter, except for "Farm value/retail cost" chart.

Lower Tallow Prices Reflect Consumer Switch to Vegetable Oil



Tough Adjustment For Tallow Industry

The edible tallow industry has had to adjust to the switch by fast food chains to vegetable oils. The three chains that announced the shift last summer accounted for about 30 percent of the domestic edible tallow market. Sudden market changes of this magnitude are rare in the food industry, particularly when the shift is to a substantially more costly ingredient.

Complicating the adjustment is the fact that the supply of edible tallow is inelastic with respect to the price of fats and oils. This means that the supply does not decrease as prices drop. The reason is that tallow is a by-product of the production of meat.

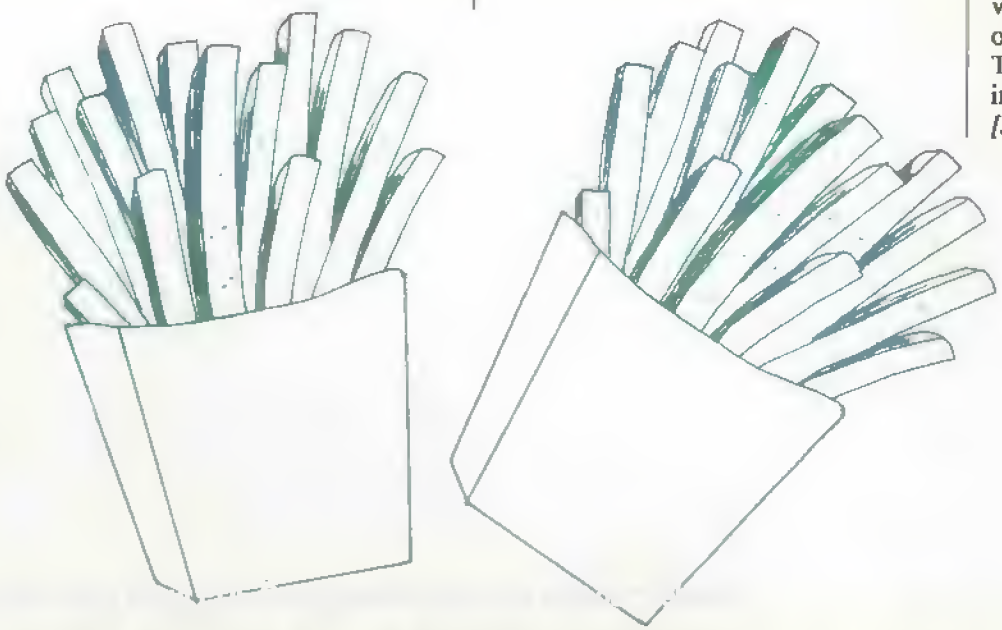
One avenue of adjustment for tallow is to divert more to the inedible market, where it is used as an ingredient in animal feeds, as an input for soap manufacture, and for other purposes. These outlets, however, bring a much lower price. The industry has also moved to increase exports, but the market is limited, and competition from the world vegetable oil sector is intense.

Impact Is Lower on Vegetable Oil Market

The shift by the fast food industry apparently has had less impact on the vegetable oil industry than on the edible tallow markets. The fast food industry switched about 250 million pounds of demand to cottonseed oil, corn oil, and soybean oil. Vegetable oils are generally good substitutes for one another although each has its unique flavor and cooking properties.

Soybean oil is the most plentiful oil in the U.S. and dominates the domestic market. The U.S. produces large quantities of soybean oil because it grows soybeans not only for oil but also for protein meal to feed livestock. On average, 35-40 percent of the bean's value is derived from the oil value. Because the supply is so large, even if the edible tallow used by the major fast food chains were replaced with soybean oil alone, soybean oil use would increase by less than 2 percent, and the price would only increase marginally.

But most of the switch in the fast food market was to corn and cottonseed rather than soybean oil. These oils are produced from crops that are grown not for their oil content but for the feed and industrial value of the grain or the fiber value of the lint. Like edible tallow, the oils these crops yield are by-products. Their supply depends on the demand for industrial products of corn and cotton. *[Jim Schaub (202) 219-0840]* AO



The Milk Inventory Management Study

Dairy policy is again in the spotlight. The 1990 farm bill required USDA to submit a report to Congress assessing alternative milk inventory management programs. The Milk Inventory Management Report has generated considerable interest on Capitol Hill and in the dairy and related industries.

The report evaluated four general alternatives to the current dairy program, each with the objective of avoiding large milk surpluses. The approach was to quantify the potential effect of each alternative on milk production, use, and prices, compared with baseline projections under current policies. Each of the four alternatives was found to have shortcomings, and USDA concluded that the current dairy program measures up well against the options studied.

USDA released a preliminary analysis of milk inventory management programs on May 15, 1991. Following a comment period, the Department prepared and delivered the final Milk Inventory Management Report to Congress on June 14. Agriculture Committee hearings on the report were held in the House of Representatives (June 18) and in the Senate (June 19). The testimony—and response in the industry press—reflected a mixed response to USDA's recommendations and analysis.

Excess Supply Anticipated

By most indicators, 1990 was a good year for the dairy industry. Milk prices reached near-record levels, and the financial situation of dairy farms improved. However, increasing milk production in the second half of 1990 and long-term projections of milk supply and demand raised concerns about potential oversupply.

In the Food, Agriculture, Conservation, and Trade Act (FACT Act) of 1990, Congress mandated that USDA conduct a study of milk inventory management programs. At least two programs were to be studied, 1) a target price/deficiency payment plan, and 2) a reclassification plan, commonly called the Class IV plan. Congress directed that no proposal involving a government buy-out of dairy cows was to be considered, even in tandem with other program provisions. Also, no program which reduced the price support level could be included in the study.

Milk inventory management proposals were also solicited from the public. Seventy-seven proposals were received by the February 6, 1991 deadline. In addition to target price/deficiency payment and Class IV programs, proposals offered by the public were: 1) two-tier pricing, 2) milk marketing diversion, and 3) demand-increasing policies.

Four Program Types Evaluated

Demand-increasing proposals were eliminated from consideration since they were, in general, not comprehensive programs, but facets of some other plan. Four program types were selected for detailed analysis, and were compared to the present policy. Currently, the price of milk is supported at a rate of not less than $10.10 per cwt. Unlimited government purchases of butter, cheese, and nonfat dry milk ensure that minimum milk support prices are attained.

In addition to the price support program, but not specifically evaluated, are 42 Federal milk marketing orders that establish minimum prices for milk according to three classes of use. Under an order, processors pay the lowest price for milk used in hard products (Class III milk)—butter, cheese, and nonfat dry milk. The next highest is for milk used in soft products, such as yogurt or ice cream (Class II). Milk used for beverage purposes has the highest value (Class I).

Target price/deficiency payment—Target price/deficiency payment programs are designed to provide income support for milk producers through direct payments equal to the difference between the target and market prices of milk. Individual producers may or may not be required to reduce their marketings in order to be eligible for payments. If a reduction were required, marketing bases or quotas would have to be established. All producers would receive the same payment rate per cwt of

Special Articles

Rating the 12 Milk Inventory Management Program Options 1/

Program 2/	Total rating
Baseline	7
Target price $11.20 per cwt, no quota	2
Target price $12.20, quota, purchase program $10.10	7
Target price $13.20, quota	-11
Target price $14.20, quota	-11
Reclassification $10.50	5
Reclassification $10.50, purchase program (world price)	7
Reclassification $13.10, purchase program (world price)	-6
Two-tier $10.10, quota (+ 1 + 4), assessment $10.00 3/	6
Two-tier $13.10, quota (+ 0 + 4), assessment $10.00 3/	-2
Two-tier $13.10, quota (+ 0), variable assessment 3/ 4/	-5
Marketing diversion $10.10	6
Marketing diversion $13.10, assessment	-5

1/ The ratings are the sum of results for individual criteria. Highest positive number equals highest rank. 2/ Dollar figures refer to per-cwt target prices, support levels, or assessments. 3/ Quota equals commercial use + Food and Nutrition Service purchases + Commodity Credit Corporation purchases, in billions of pounds. 4/ Variable assessment equals the difference between the U.S. manufacturing grade and international prices.

milk marketed, but it would not be determined until the end of the year. Deficiency payments would increase with marketings unless a limit were imposed. The market price used for payment-rate calculations would be the U.S. all-milk price.

Class IV—Reclassification plans would establish a fourth class of milk. Class IV milk would be used for the manufacture of butter, cheese, and nonfat dry milk to be disposed of internationally or otherwise outside normal domestic commercial channels. An assessment, levied on all milk marketed, would reflect the cost of disposal. Reducing the supply available on normal commercial markets would prevent surpluses from depressing prices.

Two-tier pricing—Two-tier pricing plans would require mandatory milk marketing bases and quotas for individual producers. The size of the quotas would depend on estimates of market requirements. A market price, supported by reduced marketings due to quotas, would be paid on milk marketed within the quota. The producer would pay an assessment on marketings of milk in excess of quota. This second-tier price would usually be low enough to discourage production beyond commercial use and a specified level of government purchases. The assessment on over-quota marketings would be remitted to the Commodity Credit Corporation to offset government program costs.

Milk marketing diversion—Under milk marketing diversion programs, participating producers would be paid to reduce marketings. Participants would be subject to individual marketing bases and quotas. The amount of the diversion payment rate would be known in advance and could be directly linked to contracted marketing reduction rates. Producer assessments could be used to offset program costs.

Evaluating the Programs

The four program types all draw upon past (and present) agricultural policies. Of the four, only the marketing diversion type has a direct link to a past dairy program, the Milk Diversion Program of 1984. The Class IV plans involve modifications of classified pricing, the system currently used under milk marketing orders. Target price/deficiency payment programs have been widely used for grains and cotton. Finally, a two-tier pricing program was used for wheat in the 1960's, and is now used for peanuts and tobacco.

A 21-member team representing seven USDA agencies undertook the study. Twelve individual options were analyzed and included in the final report: four target price/deficiency payment plans, three Class IV programs, three two-tier pricing plans, and two milk marketing diversion programs. The 12 options represented "composite" programs that contained the unique features of individual proposals. A range of support price options was considered for each program type.

The permanent authority for the milk price support program (Section 201 of the 1949 Agriculture Act) states that the objectives of the program are "to assure an adequate supply of pure and wholesome milk" and "to meet current needs, reflect changes in the cost of production, and assure a level of income adequate to maintain productive capacity sufficient to meet anticipated future needs."

Evaluating a particular program's potential to meet such broad policy objectives is difficult. The 1990 FACT Act listed 12 criteria for evaluating proposed milk inventory management programs. The last of the criteria was a general one for capturing other issues deemed appropriate by the Secretary of Agriculture. For purposes of the inventory management report, 3 specific program criteria were assigned to this category, resulting in a total of 14:

- ability to limit government purchases to 6 billion pounds (milk equivalent, total milk solids basis) in a calendar year;
- speed and effectiveness in reducing excess milk production;
- effectiveness in sustaining reduced production for at least 5 years with or without continuation of the program;
- impacts on regional price, revenue, and supply;
- impacts on national producer income and government expenditures;

- impacts on the rural economy and the maintenance of family farms;
- effects on the availability of wholesome dairy products for domestic and foreign nutrition and food assistance programs;
- technological innovations;
- effectiveness in reducing butterfat production and increasing milk's protein content;
- ability to cushion temporary increases or decreases (shocks) in milk production;
- impacts on the U.S. livestock industry;
  (1) consistency with international obligations and impacts on international trade;
  (2) impacts on consumers, including levels of consumption and costs; and
  (3) effects on the long-term efficiency of the U.S. dairy industry and the competitiveness of dairy with nondairy products.

Baseline projections were made for milk production, use, prices, farm milk receipts, retail value, and government costs under the current dairy support program for fiscal 1991/92 through 1996/97. The same indicators were estimated for each program option, using a simulation model, and the results were compared with the baseline.

These projections were, in turn, used to evaluate impacts on other industries and entities specified in the criteria of the FACT Act. Models developed by ERS for other USDA programs were used to evaluate impacts on the red meat and poultry sectors and on rural economies.

Rating System Identifies Drawbacks

A rating system was developed by USDA analysts to evaluate each proposed program's effect on production, use, prices, farm receipts, retail value, and government costs. In addition, their impacts on the Food and Nutrition Service's (FNS) food programs, livestock and poultry industries, the rural economy, and compatibility with U.S. international trade obligations were considered. The rating system provided a systematic and consistent approach for using the 14 criteria to evaluate the programs.

The high support price options of each program type presented difficult tradeoffs. Although they raised farm receipts substantially, they increased consumer costs, decreased domestic consumption, inhibited long-term adjustments in production, processing, and consumption, and were not altogether compatible with U.S. trade responsibilities.

With the exception of the reclassification and milk diversion plans, high support price options resulted in detrimental near-term consequences in the beef industry, with additional dairy cow kills reaching more than 625,000 head. If programs were implemented to remove the extra beef from domestic markets, they would infringe on U.S. trade responsibilities.

High support price options would also reduce FNS food program buying unless special buying features were implemented. Other consequences included consumers' opting for nondairy substitutes in the short term and, in the longer term, manufacturers' developing substitutes similar to oleomargarine in the 1950's.

The lower support price options raised comparable concerns, although to a lesser degree. None of the lower support price options raised farm receipts significantly above the baseline, raising the question of whether the added government interference could be justified.

In light of the problems identified, USDA concluded that the current program "measures up well." Although the program does not guarantee producers a profit, it does provide the market signals individuals need to make decisions, and acts as a price floor to stabilize downswings in prices.

What Are the Hard Questions?

A fundamental objective of all four proposed inventory management programs is to control milk production so that surpluses do not become severe. The dramatic fall in prices from near-record levels of $13.73 per cwt on average during 1990 to $11.40 per cwt during June 1991 tends to focus industry and policymakers' interest on the programs' price-stabilizing features.

However, obtaining a milk price increase is not "costless"—taxpayers, consumers, government, even milk producers themselves may be presented with all or part of the bill. The higher the price, and the associated support price beneath it, the higher the cost.

Four concepts are commonly linked with dairy policy alternatives: increased producer income, minimal cost to government, compliance with international obligations, and orientation to market signals other than to government payments. If these are the four major goals of dairy policy, then the hard questions may well be:

- How much of an increase in milk producer income is really warranted?
- Who will pay the costs of increased income for dairy farmers?
- Is the U.S. willing to adopt programs that could put it at odds with the GATT and with its trading partners in an increasingly interdependent world economy?
- What does market orientation mean for an industry that has long depended on government intervention?

[Don Blayney (202) 219-0711 and Mark Weimar (202) 219-0712] AO

Secretaria de Turismo de Mexico

Mexico's Economic Reform Shows Results

The government of Mexico is embarked on a course of unilateral economic reform, reversing the direction of inward-looking economic policy pursued most of this century. The government is convinced that freeing up its economy is a precondition for sustained growth and development. The stated objective of the government is to bring Mexico's per capita income level to that of a typical industrial country over the next 20 years.

First discussed in 1985, and initiated in December 1987, policies aimed at fundamental economic reform are moving Mexico toward a more open economy based on free trade and competitive markets. And there is a further commitment not to interfere with the necessary adjustments that this entails. The new policies appear to be improving the efficiency and performance of the Mexican economy.

Although the reforms are not as well publicized as those in Eastern Europe and the USSR, they are as dramatic and as potentially significant for the U.S. Mexico is the third-largest U.S. trade partner and the third-largest market for U.S. agricultural exports. The U.S. purchases half of Mexico's oil exports and over three-fourths of its other merchandise exports, making it Mexico's leading trade partner. Between 1985 and 1989, 65 percent of merchandise imported by Mexico came from the U.S.

The reform process in Mexico, by generating healthy economic growth and encouraging foreign investment, is providing opportunities for increased trade between the two countries. Reform is proceeding as discussions continue with the U.S. on the formation of a North American Free Trade Agreement with Mexico and Canada. The agreement, which would create a free trade area larger than the EC in population and economic activity, could be the first step toward the formation of a Western Hemisphere Free Trade Area. One main objective in seeking a free trade agreement is to institutionalize the reforms already taking place.

In addition, Mexico has joined Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua to create a free trade zone among these countries by the end of 1996. Although the Mexican government anticipates an increase in trade because of the free trade agreements, the main benefits will come from securing long-term markets for products based on efficient production and market prices, the efficiency gained by deregulating their economy, and large sustainable increases in direct foreign investment, primarily from the U.S.

Output Is Up, Inflation Down

Although real gross domestic product (GDP) in Mexico grew less than 2 percent annually between 1982 and 1988, real GDP grew 3.1 percent in 1989, 3.9 percent in 1990, and is projected to exceed 6 percent annually by the mid-1990's. In addition, investment has increased to 23 percent of national income, up from 18 percent in 1985, and is projected to rise to 25 percent by the mid-1990's.

Mexico's debt-to-GDP ratio fell from 0.80 in 1986 to 0.35 by the end of 1990 and is projected to drop to 0.25 by 1996. The ratio of foreign debt repayments to exports has similarly fallen from 0.44 in 1988 to 0.30 in 1990 and is projected to decline to 0.25 by 1996.

Over 70 Percent of Mexico's Exports Went to the U.S. in 1990

Item	1986	87	88	89	90
			$ billion		
Current account balance	-1.7	4.0	-2.4	-5.5	-7.7
Merchandise exports	16.0	20.7	20.6	22.8	24.5
Petroleum	5.6	7.9	5.9	7.3	8.2
Nonoil	10.5	12.8	14.7	15.5	16.2
To the U.S.	10.6	13.3	13.5	15.8	17.5
Petroleum	3.4	3.6	2.9	4.0	4.8
Nonoil	7.2	9.7	10.7	11.8	12.7
Merchandise imports	11.4	12.2	18.9	23.4	29.4
From the U.S.	7.4	7.9	12.6	15.9	17.7
Agricultural	1.1	1.2	2.2	2.7	2.5

1990 estimated.

Mexican Economy Has Grown Faster Since Reform

Item	86	87	88	89	90	91
	Percentage change					
Real gross domestic product	-3.7	1.6	1.4	3.1	3.9	3.5
Real gross fixed investment	-11.8	-0.3	6.0	5.9	12.5	7.8
Consumer prices	86.2	131.8	114.2	20.3	29.9	14.0

1990 estimated. 1991 projected

Annual inflation, which peaked at almost 160 percent during 1987, is currently running below 30 percent and is projected to drop to 6 percent by 1995. In addition, the government's deficit has dropped from an average of 12.5 percent of GDP between 1982 and 1988 to under 2 percent in 1991.

Macro Policies Are Reducing Inflation

A major shift in macroeconomic policy in Mexico has been underway since 1987. Fundamental to the shift is a movement from a state-controlled to a competitive economy, driven by private sector growth, international trade, and private investment. The key indicator of the success of the macroeconomic reforms has been a decline in the rate of inflation.

In Mexico, government borrowing is accomplished primarily by printing money, an inflationary practice. When the government deficit rose to 16 percent of GDP in 1987, inflation surged to almost 160 percent. The decline in government borrowing since then, to 3.5 percent of GDP in 1990, relieved pressure on the central bank to print money, and inflation eased.

Exchange rate policy also affects inflation. A rapid devaluation is inflationary for two reasons. First, domestic prices in Mexico increase as prices of imports rise and export sales increase. And second, the money supply increases as U.S. buyers exchange dollars for pesos to purchase more goods from Mexico. And the faster the devaluation, the more rapid the increase in money supply.

The Mexican government has slowed the rate of devaluation of the peso against the dollar to less than 5 percent per year. The long-term objective is to stabilize the peso's exchange rate against the dollar once inflaion is reduced to less than 6 percent.

Policies aimed at increasing competition can also help control inflation. The Mexican government is approaching this in three ways: reducing the number of state-owned enterprises, opening domestic markets to foreign suppliers, and eliminating regulations that tend to stifle competition.

Privatization of many government enterprises has reduced the government's need to borrow for three reasons. First, subsidies to government-owned enterprises have been reduced by half since 1987. Second, revenues from the sale of government-owned businesses can be used to reduce government debt. Third, this revenue can be placed in a reserve fund, currently totaling about $1 billion, to be used as a hedge against future uncertainties.

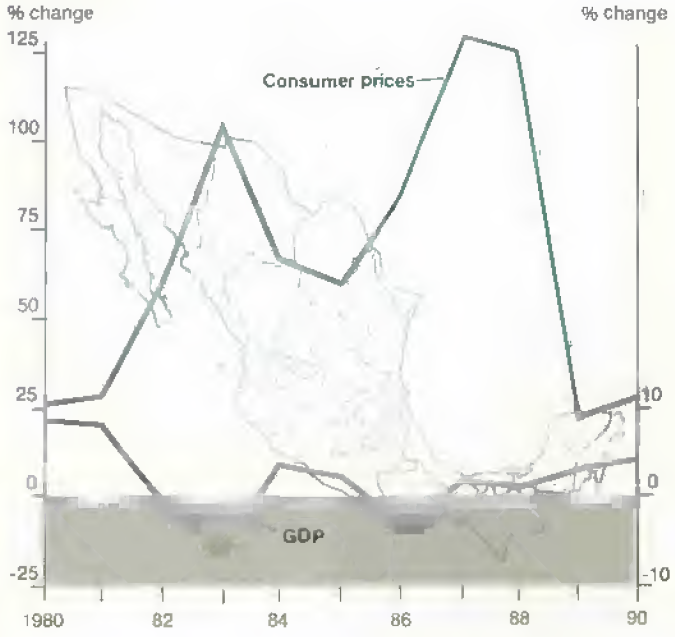
The reduction of Mexico's foreign debt in 1989, under the auspices of the Brady Plan, has had a substantial impact on fiscal and monetary policy, the investment climate, and the outlook for the economy. External debt fell from $101 billion at the beginning of 1989 to $87.5 billion by the end of 1990.

Debt reduction has led to the lowering of current repayment obligations. As recently as 1986, repayment of foreign debt took half of all export earnings and contributed to the fiscal deficit and inflation. In 1990, however, debt repayment accounted for only 30 percent of export earnings, and this figure should slip to 27 percent in 1991. The net outflow of resources to service foreign debt amounted to 6 percent of Mexico's GDP between 1982 and 1988, but is now just slightly over 2 percent.

Free Trade, Deregulation, & Privatization Are Key

The substantial change in macroeconomic policies in Mexico has included a radical program consisting of trade reform, sale of public enterprises, deregulation, and encouragement of direct foreign investment.

Lower Inflation Spurs Economic Growth in Mexico Since 1987



Special Articles

Less of Mexico's Export Earnings Go to Debt Repayment

Item	1985	86	87	88	89	90	91
				$ billion			
Total foreign debt	96.7	101.0	107.5	100.9	95.1	87.5	89.2
Debt service payments	15.3	11.5	12.8	13.9	13.4	11.9	12.1
				Percent			
Debt ratios:							
Debt/GDP	63.3	81.0	78.0	58.8	47.8	38.7	34.0
Debt service/ GDP	10.0	9.2	9.3	8.1	6.7	5.2	4.6
Debt service/ total exports	51.4	48.6	42.8	43.4	37.3	30.1	27.3

1990 estimated. 1991 projected

All imports were subject to licensing in 1982, but by the end of 1989 the licensing requirement applied to only 2 percent of all goods. Current plans call for the total elimination of import licenses over the next 5 years. And while average tariff rates were 85 percent in 1982, maximum rates are currently 20 percent and average rates under 10 percent. Unregulated access to foreign exchange has eliminated an additional import barrier.

The government of Mexico operated 1,155 public enterprises in 1982. Yet only 425 remained at the end of 1990, with another 200 scheduled either for sale or liquidation. These government selloffs include TELMEX (the telephone company), several banks, hotel chains, sugar refineries, steel mills, and insurance companies. Government expenditures to support public enterprises have been reduced sharply since 1988 and will decline further.

Planned government divestitures in 1991 and 1992 include additional nationalized banks, a large insurance company, steel mills, fertilizer plants, a railroad manufacturing company, and the national airline. However, the national petroleum company (PEMEX), which contributes about 20 percent of total government revenue, will remain a public enterprise.

Major reductions in regulations have been instituted in banking and finance, transportation, and insurance, and in the packaging, customs, petrochemicals, sugar, and cocoa industries. The efficiency generated by deregulation explains much of the reinvestment and growth in the Mexican economy at a time of substantial contraction in government expenditures.

Foreign Investment Critical for Growth

One of the most significant results of deregulation has been a rise in direct foreign investment. The objective of the 1989 reform was to match the open trade environment with an open investment climate. Red tape associated with foreign investment was sharply reduced, and more sectors were opened to foreign investment without the requirement of prior approval.

Direct foreign investment is superior to government-guaranteed foreign loans for economic development. Unlike debt, investment has no explicit repayment requirements, and risk is largely transferred abroad. Moreover, investment gravitates to enterprises that have the potential to generate income for repayment.

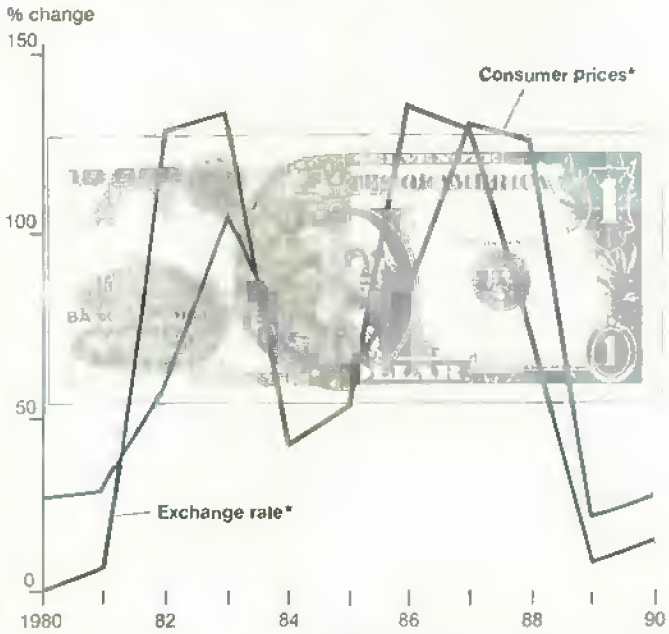
In addition, the new regulations specify that two-thirds of all new business activities require no approval for start-up. These include projects that are outside major cities, that are financed by investment from abroad, and that will not lead to an outflow of funds from Mexico in the first 3 years of operation. However, businesses related to agriculture must receive specific approval.

Banking Deregulation Stimulates Investment

Liberalization of bank regulations has also been significant. Prior to 1988, the government dictated interest rates, liquidity requirements, and the types of loans a bank could make. In addition, the government used banks to raise capital. Reserve requirements at the central bank, for example, were increased whenever new government financing was needed. Add to this the effect of interest rate ceilings, and the result was little financial activity between the banks and the private sector.

Interest rates have now been largely deregulated and lending is at banks' discretion rather than by government rules. Reserve requirements have been fixed at 30 percent of deposits rather than being subject to arbitrary change. And banking will soon be completely privatized.

Slower Devaluation Helps Lower Mexico's Inflation Rate



*Percentage change in exchange rate (pesos per dollar) and in consumer prices.

Several important consequences of deregulation are evident. The flow of savings into financial institutions has increased substantially due to the freeing of interest rates and the movement to very high real rates of return from previously controlled rates at negative real returns.

Consequently, credit to the private sector has increased dramatically in real terms, up 67 percent in 1989 from a year earlier and up a further 28 percent in 1990. This has largely allowed private investment to replace government investment, and the expansion of the private sector has encouraged capital from foreign countries to flow into Mexico. *[Mathew Shane (202) 219-0700 and David Stallings (202) 219-0705]* AO

Statistical Indicators

Summary Data

Table 1.—Key Statistical Indicators of the Food & Fiber Sector

	1989		1990		1991				
	IV	Annual	IV	Annual	I	II	III F	IV F	Annual F
Prices received by farmers (1977=100)	146	147	145	150	146	152	145	143	—
Livestock & products	165	160	168	170	167	165	165	161	—
Crops	126	134	122	129	124	139	124	123	—
Prices paid by farmers, (1977=100)									
Production items	165	165	174	171	173	175	—	—	—
Commodities & services, interest, taxes, & wages	178	178	187	184	188	190	—	—	—
Cash receipts ($ bil.) 1/	162	159	172	167	158	169	173	165	164–169
Livestock ($ bil.)	89	84	93	89	85	85	89	93	86–90
Crops ($ bil.)	73	75	79	78	73	83	85	72	76–80
Market basket (1982–84=100)									
Retail cost	127	125	135	134	137	—	—	—	—
Farm value	108	107	110	114	109	—	—	—	—
Spread	137	134	149	144	153	—	—	—	—
Farm value/retail cost (%)	30	30	28	30	29	—	—	—	—
Retail prices (1982–84=100)									
Food	127	125	134	132	136	137	—	—	135–139
At home	126	124	134	132	136	137	—	—	135–137
Away from home	130	127	135	133	136	137	—	—	138–141
Agricultural exports ($ bil.) 2/	10.6	39.7	9.9	40.1	11.3	8.8	8.4	—	37.0
Agricultural imports ($ bil.) 2/	5.4	21.5	5.4	22.5	5.8	5.5	5.3	—	22.5
Commercial production									
Red meat (mil. lb.)	10,105	39,418	9,852	38,609	9,464	9,638	10,087	10,346	39,535
Poultry (mil. lb.)	5,727	22,039	6,138	23,635	5,837	6,198	6,270	6,385	24,690
Eggs (mil. doz.)	1,415	5,598	1,445	5,660	1,418	1,410	1,420	1,440	5,688
Milk (bil. lb.)	34.9	144.3	36.3	148.3	37.5	38.8	36.8	36.2	149.3
Consumption, per capita *									
Red meat and poultry (lb.)	54.9	210.4	55.0	210.8	50.9	52.9	55.0	57.2	216.1
Corn beginning stocks (mil. bu.) 3/	3,419.3	4,259.1	2,843.2	1,930.4	1,344.5	6,940.3	4,789.0	2,991.9	1,344.5
Corn use (mil. bu.) 3/	1,489.2	7,260.1	1,499.0	8,113.4	2,338.1	2,151.9	1,797.6	—	7,730.0
Prices 4/									
Choice steers—Neb. Direct **	74.13	73.86	80.60	78.56	80.06	77.90	71–77	75–81	76–79
Barrows & gilts—7 mkts. ($/cwt)	47.42	44.03	51.67	54.45	51.50	53.40	48–54	43–49	49–52
Broilers—12-city (cts./lb.)	49.8	59.0	48.8	54.8	51.2	52.2	49–55	45–51	49–52
Eggs—NY gr. A large (cts./doz.)	92.6	81.9	88.5	82.2	85.9	70.2	73–79	75–81	76–79
Milk—all at plant ($/cwt)	15.47	13.57	12.50	13.68	11.60	11.37	11.30–12.10	12.00–13.00	11.55–12.00
Wheat—KC HRW ordinary ($/bu.)	4.34	4.36	2.79	3.44	2.81	—	—	—	—
Corn—Chicago ($/bu.)	2.38	2.55	2.30	2.52	2.45	—	—	—	—
Soybeans—Chicago ($/bu.)	5.70	6.70	5.86	5.93	5.70	—	—	—	—
Cotton—Avg. spot 41–34 (cts./lb.)	67.1	63.7	70.0	71.3	75.4	—	—	—	—

	1983	1984	1985	1986	1987	1988	1989	1990	1991 F
Gross cash income ($ bil.)	150.6	155.5	157.2	152.0	164.3	170.4	177.5	183	179–184
Gross cash expenses ($ bil.)	111.0	119.0	109.3	105.2	108.2	112.3	122.8	125	124–129
Net cash income ($ bil.)	39.5	36.6	47.9	46.7	56.1	58.1	54.6	58	52–57
Net farm income ($ bil.)	15.3	26.3	31.0	31.0	41.3	41.8	46.7	47	40–45
Farm real estate values 5/									
Nominal ($ per acre)	788	801	713	640	599	632	661	668	682
Real (1982 $)	788	771	662	577	526	538	545	529	519

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.–Sept. fiscal years ending with year indicated. 3/ Sept.–Nov. first quarter; Dec.–Feb. second quarter; Mar.–May third quarter; Jun.–Aug. fourth quarter; Sept.–Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages. 5/ 1990–91 values as of January 1. 1986–89 values as of February 1. 1982–85 values as of April 1. F = forecast, — = not available.

* The pork carcass to retail conversion factor has been revised. ** Omaha Choice steer price has been replaced by the Nebraska Direct, 1,100–1,300 lb. Choice steer price.

U.S. & Foreign Economic Data

Table 2.—U.S. Gross National Product & Related Data

	Annual			1990				1991
	1988	1989	1990	I	II	III	IV	I R
	$ billion (quarterly data seasonally adjusted at annual rates)							
Gross national product	4,873.7	5,200.8	5,465.1	5,375.4	5,443.3	5,514.8	5,527.3	5,557.7
Personal consumption expenditures	3,238.2	3,450.1	3,657.3	3,588.1	3,622.7	3,693.4	3,724.9	3,742.8
Durable goods	457.5	474.8	480.3	492.1	478.4	482.3	468.5	455.3
Nondurable goods	1,060.0	1,130.0	1,193.7	1,174.7	1,179.0	1,205.0	1,216.0	1,212.7
Clothing & shoes	191.1	204.8	213.2	212.9	212.8	215.8	211.5	213.3
Food & beverages	562.8	595.3	624.7	616.4	623.3	629.8	629.4	636.7
Services	1,720.7	1,845.5	1,983.3	1,921.3	1,965.3	2,006.2	2,040.4	2,074.8
Gross private domestic investment	747.1	771.2	741.0	747.2	759.0	759.7	698.3	660.0
Fixed investment	720.8	742.9	746.1	758.9	745.6	750.7	729.2	694.1
Change in business inventories	26.2	28.3	-5.0	-11.8	13.4	9.0	-30.8	-34.2
Net exports of goods & services	-74.1	-46.1	-31.2	-30.0	-24.9	-41.3	-28.8	13.5
Government purchases of goods & services	962.5	1,025.8	1,098.1	1,070.1	1,086.4	1,102.8	1,132.9	1,141.5
	1982 $ billion (quarterly data seasonally adjusted at annual rates)							
Gross national product	4,016.9	4,117.7	4,157.3	4,150.6	4,155.1	4,170.0	4,153.4	4,124.1
Personal consumption expenditures	2,606.5	2,656.6	2,681.6	2,677.3	2,678.8	2,696.8	2,673.6	2,663.7
Durable goods	418.2	428.0	427.4	437.6	426.8	429.5	415.6	402.9
Nondurable goods	909.4	919.9	911.1	915.6	911.2	916.4	901.2	897.1
Clothing & shoes	165.0	172.7	172.6	174.2	171.3	174.4	170.6	167.0
Food & beverages	462.2	462.9	457.4	457.4	459.3	459.4	453.6	453.5
Services	1,278.9	1,309.0	1,343.1	1,324.2	1,340.8	1,350.8	1,356.7	1,363.7
Gross private domestic investment	705.7	716.9	688.7	700.7	700.7	697.0	656.3	623.7
Fixed investment	682.1	693.1	692.3	702.9	691.2	692.3	682.7	648.6
Change in business inventories	23.6	23.8	-3.6	-2.2	9.5	4.7	-26.4	-25.0
Net exports of goods & services	-75.9	-54.1	-33.8	-35.4	-44.6	-46.5	-8.6	7.1
Government purchases of goods & services	780.5	798.1	820.8	807.9	820.2	822.7	832.3	829.6
GNP implicit price deflator (% change)	3.3	4.1	4.1	4.8	4.7	3.7	2.8	5.2
Disposable personal income ($ bil.)	3,479.2	3,725.5	3,946.1	3,867.7	3,925.7	3,969.1	4,001.9	4,021.3
Disposable per. income (1982 $ bil.)	2,800.5	2,869.0	2,893.5	2,900.9	2,902.8	2,898.0	2,872.4	2,861.9
Per capita disposable per. income ($)	14,123	14,973	15,695	15,527	15,639	15,765	15,849	15,887
Per capita dis. per. income (1982 $)	11,368	11,531	11,509	11,586	11,564	11,511	11,376	11,307
U.S. population, total, incl. military abroad (mil.)	246.4	248.8	251.4	250.4	251.0	251.8	252.5	252.9
Civilian population (mil.)	244.1	246.8	249.2	248.9	248.9	249.6	250.4	250.8

	Annual			1990	1991			
	1988	1989	1990 P	May	Feb	Mar	Apr	May
	Monthly data seasonally adjusted							
Industrial production (1987=100)	105.4	108.1	109.2	109.4	105.7	105.0	105.3	105.8
Leading economic indicators (1982=100)	142.7	144.9	144.0	146.0	140.2	141.4	142.0	143.1
Civilian employment (mil. persons)	115.0	117.3	117.9	118.3	116.9	116.7	117.4	116.6
Civilian unemployment rate (%)	5.4	5.2	5.4	5.3	6.4	6.8	6.5	6.8
Personal income ($ bil. annual rate)	4,070.8	4,384.3	4,645.5	4,621.4	4,733.3	4,750.4	4,755.1	4,778.9
Money stock--M2 (daily avg.) ($ bil.) 1/	3,069.9	3,223.1	3,327.6	3,282.8	3,354.3	3,375.0	3,382.9	3,395.8
Three-month Treasury bill rate (%)	6.69	8.12	7.51	7.78	5.95	5.91	5.67	5.51
AAA corporate bond yield (Moody's) (%)	9.71	9.26	9.32	9.47	8.83	8.93	8.86	8.86
Housing starts (1,000) 2/	1,488	1,376	1,193	1,208	992	907	981	982
Auto sales at retail, total (mil.)	10.6	9.9	9.5	9.4	8.3	8.7	7.9	8.4
Business inventory/sales ratio	1.49	1.50	1.49	1.51	1.57	1.57	1.54	—
Sales of all retail stores ($ bil.)	137.6	145.1	150.6	148.8	151.1	151.5	150.9	152.5
Nondurable goods stores ($ bil.)	85.3	90.8	96.0	94.5	97.9	97.7	97.2 P	98.0
Food stores ($ bil.)	27.2	28.8	30.2	29.9	30.5	30.9	30.7 P	31.0
Eating & drinking places ($ bil.)	13.9	14.5	15.2	15.2	15.7	15.5	15.4 P	15.2
Apparel & accessory stores ($ bil.)	7.1	7.6	7.9	8.0	8.0	7.9	8.0 P	8.2

	Annual			1990	1991			
	1988	1989	1990	June	Mar	Apr	May	June
Foreign exchange value of the dollar								
Japanese yen per U.S. dollar	128.2	138.1	145.0	153.8	137.4	137.1	138.1	139.6
German marks per U.S. dollar	1.757	1.881	1.617	1.680	1.612	1.703	1.720	1.780

1/ Annual data as of December of the year listed. 2/ Private, including farm. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 219-0313.

Table 3.—Foreign Economic Growth, Inflation, & Export Earnings

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991 F	1992 F	Average 1981–90
	Annual percent change											
World, less U.S.												
Real GDP	1.1	2.2	3.8	3.5	3.2	3.4	4.5	3.5	2.4	1.6	2.7	2.9
Consumer prices	13.4	12.6	13.3	13.5	10.5	13.6	22.4	37.4	40.0	22.2	12.7	19.1
Merch. exports	-7.9	-1.5	5.4	1.8	11.7	18.9	12.6	7.3	14.9	6.9	8.9	6.1
Developed less U.S.												
Real GDP	1.0	2.1	3.7	3.4	2.7	3.2	4.5	3.7	3.3	2.0	3.1	2.9
Consumer prices	6.2	5.9	4.9	4.5	2.7	2.6	2.9	4.2	4.6	5.2	4.3	5.1
Merch. exports	-4.4	-0.5	6.3	4.6	19.4	17.7	12.3	6.0	17.1	10.3	8.3	7.5
Developing												
Real GDP	1.9	1.3	4.5	4.5	2.8	4.1	4.2	3.4	2.6	2.9	4.7	3.2
Consumer prices	25.3	32.9	38.3	38.8	30.2	41.0	70.2	105.0	117.7	40.9	28.4	52.8
Merch. exports	-13.3	-3.3	3.8	-3.2	-3.5	21.7	13.3	10.5	9.9	7.0	11.5	3.4
Asia												
Real GDP	5.7	8.1	8.4	6.8	6.9	8.1	9.0	5.5	5.3	5.0	5.2	7.0
Consumer prices	6.4	6.6	6.1	6.0	8.7	9.5	14.3	11.7	7.9	9.1	9.2	8.7
Merch. exports	-0.5	4.6	14.6	-0.9	8.8	30.1	23.2	11.6	10.9	7.5	9.5	11.0
Latin America												
Real GDP	-1.5	-2.8	3.6	3.4	4.7	2.4	0.2	1.5	-1.0	1.0	3.3	1.0
Consumer prices	57.1	108.7	133.5	145.1	87.6	130.9	286.4	533.1	768.0	122.9	65.5	232.1
Merch. exports	-10.6	-0.2	6.3	-5.5	-17.9	13.7	14.3	12.4	9.3	3.8	4.7	2.8
Africa												
Real GDP	1.1	-1.1	0.7	4.0	1.7	1.3	2.9	3.3	1.9	2.0	2.9	1.4
Consumer prices	13.3	17.8	20.0	13.1	14.7	14.7	18.6	19.5	15.2	17.6	14.6	16.9
Merch. exports	-27.9	15.2	-1.0	-2.5	-17.1	14.2	-2.8	4.1	20.3	2.9	4.0	-1.5
Middle East												
Real GDP	2.9	1.1	0.0	1.7	-0.7	0.1	4.7	3.2	-1.5	-3.3	8.5	1.6
Consumer prices	11.4	9.9	11.7	9.4	10.0	17.7	16.8	14.2	13.6	13.3	13.2	12.8
Merch. exports	-22.0	-23.0	-12.1	-7.9	-20.7	24.1	2.1	19.1	13.1	-7.0	13.1	-3.2
Central Europe. & USSR												
Real GDP	2.0	2.3	1.6	1.6	2.7	1.2	3.8	0.9	-5.5	-4.1	-0.4	1.1
Consumer prices	14.6	8.5	9.1	10.6	10.9	13.8	23.4	57.6	59.4	60.2	25.4	21.6
Merch. exports	8.5	3.7	1.7	-1.5	5.3	11.0	5.6	-0.1	-4.2	-9.7	3.7	3.4

F = forecast.

Information contact: Alberto Jerardo. (202) 219–0717.

Farm Prices

Table 4.—Indexes of Prices Received & Paid by Farmers, U.S. Average

	Annual			1990	1991					
	1988	1989	1990	June	Jan	Feb	Mar	Apr	May R	June P
	1977 = 100									
Prices received										
All farm products	138	147	150	150	145	145	149	149	152	155
All crops	126	134	126	130	123	122	128	131	138	147
Food grains	138	156	123	127	102	103	107	110	112	112
Feed grains & hay	120	128	123	132	117	118	122	124	122	115
Feed grains	117	123	118	129	112	114	117	119	117	113
Cotton	95	98	107	106	106	112	113	117	114	115
Tobacco	132	145	149	147	154	154	153	153	153	153
Oil-bearing crops	108	102	92	92	95	93	94	94	93	92
Fruit, all	185	192	192	206	206	197	213	213	235	396
Fresh market 1/	197	203	202	219	221	207	228	228	253	450
Commercial vegetables	140	152	154	119	148	142	166	169	214	169
Fresh market	136	144	144	104	138	131	160	163	224	162
Potatoes & dry beans	124	186	191	227	137	133	136	164	222	206
Livestock & products	150	160	170	173	166	166	169	166	165	163
Meat animals	168	174	193	198	193	196	199	198	196	192
Dairy products	126	140	141	142	121	121	117	116	117	117
Poultry & eggs	118	137	131	127	134	122	136	122	119	120
Prices paid										
Commodities & services, interest, taxes, & wage rates	170	178	184	—	188	—	—	190	—	—
Production items	167	165	171	—	173	—	—	173	—	—
Feed	128	136	128	—	124	—	—	126	—	—
Feeder livestock	192	194	213	—	216	—	—	223	—	—
Seed	160	165	165	—	163	—	—	163	—	—
Fertilizer	130	137	131	—	132	—	—	136	—	—
Agricultural chemicals	127	139	139	—	141	—	—	153	—	—
Fuels & energy	187	180	204	—	219	—	—	198	—	—
Farm & motor supplies	145	150	154	—	156	—	—	157	—	—
Autos & trucks	216	223	231	—	233	—	—	247	—	—
Tractors & self-propelled machinery	181	193	202	—	208	—	—	210	—	—
Other machinery	197	208	216	—	220	—	—	227	—	—
Building & fencing	136	141	144	—	144	—	—	144	—	—
Farm services & cash rent	151	161	166	—	172	—	—	172	—	—
Int. payable per acre on farm real estate debt	182	176	174	—	173	—	—	173	—	—
Taxes payable per acre on farm real estate	147	152	157	—	162	—	—	162	—	—
Wage rates (seasonally adjusted)	177	185	191	—	204	—	—	204	—	—
Production items, interest, taxes, & wage rates	160	167	172	—	175	—	—	176	—	—
Ratio, prices received to prices paid (%) 2/	81	83	82	83	78	78	79	78	80	82
Prices received (1910–14=100)	632	674	684	695	663	661	681	679	694	708
Prices paid, etc. (parity index) (1910–14=100)	1,167	1,220	1,265	—	1,295	—	—	1,305	—	—
Parity ratio (1910–14=100) (%)2/	54	55	54	55	51	—	—	52	—	—

1/ Fresh market for noncitrus; fresh market & processing for citrus. 2/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wage rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 219–0313.

Table 5.—Prices Received by Farmers, U.S. Average

	Annual 1/			1990	1991					
	1988	1989	1990	June	Jan	Feb	Mar	Apr	May R	June P
CROPS										
All wheat ($/bu.)	3.72	3.72	2.61	3.08	2.42	2.43	2.53	2.60	2.64	2.65
Rice, rough ($/cwt)	6.83	7.35	6.50–7.00	7.18	6.33	6.72	7.08	7.46	7.42	7.25
Corn ($/bu.)	2.54	2.36	2.25–2.30	2.63	2.27	2.32	2.39	2.42	2.38	2.32
Sorghum ($/cwt)	4.05	3.79	3.66–3.84	4.29	3.72	3.87	3.93	4.05	4.11	3.80
All hay, baled ($/ton)	85.20	86.00	86.00	86.70	82.00	80.40	84.50	88.60	84.20	71.60
Soybeans ($/bu.)	7.42	5.70	5.75	5.88	5.72	5.65	5.76	5.77	5.67	5.58
Cotton, upland (cts./lb.)	55.6	66.2	67.8	64.0	64.2	67.9	68.5	70.8	68.9	69.9
Potatoes ($/cwt)	6.02	7.36	6.15	8.99	5.68	5.38	5.54	6.83	9.70	8.88
Lettuce ($/cwt) 2/	14.70	12.60	11.50	8.03	10.10	6.80	10.60	8.93	23.10	12.10
Tomatoes fresh ($/cwt) 2/	27.10	33.10	27.40	23.30	23.10	31.60	44.00	49.30	54.40	51.70
Onions ($/cwt)	9.75	11.40	10.50	10.50	18.60	10.70	13.00	20.10	22.60	14.10
Dry edible beans ($/cwt)	29.90	28.50	18.50	34.30	17.30	18.20	18.90	19.60	20.00	20.50
Apples for fresh use (cts./lb.)	17.4	13.9	20.9	13.7	20.1	20.7	20.1	19.9	22.1	24.2
Pears for fresh use ($/ton)	358.00	336.00	349.00	589.00	356.00	382.00	390.00	409.00	430.00	754.00
Oranges, all uses ($/box) 3/	7.18	7.08	5.99	7.13	6.62	5.98	7.41	7.37	7.95	21.35
Grapefruit, all uses ($/box) 3/	5.43	4.45	6.21	8.06	5.66	4.50	5.43	5.10	4.91	5.44
LIVESTOCK										
Beef cattle ($/cwt)	66.80	69.67	74.79	74.20	76.60	77.00	78.50	78.00	75.90	74.10
Calves ($/cwt)	89.85	91.84	96.51	98.10	98.00	104.00	107.00	109.00	107.00	104.00
Hogs ($/cwt)	42.54	43.24	53.99	60.30	50.00	52.10	51.40	50.80	54.10	53.90
Lambs ($/cwt)	69.50	67.33	56.01	55.40	48.00	45.80	51.10	54.60	57.60	56.60
All milk, sold to plants ($/cwt)	12.26	13.56	13.78	13.80	11.70	11.70	11.40	11.30	11.40	11.40
Milk, manuf. grade ($/cwt)	11.15	12.38	12.33	13.00	10.30	10.20	10.10	10.10	10.20	10.50
Broilers (cts./lb.)	34.0	36.1	32.4	34.1	30.9	29.9	30.6	30.4	31.3	31.4
Eggs (cts./doz.) 4/	53.2	70.0	70.4	63.3	79.1	67.7	80.5	65.1	59.5	59.3
Turkeys (cts./lb.)	36.9	40.0	38.4	38.7	33.9	34.4	37.6	36.7	38.9	39.7
Wool (cts./lb.) 5/	138.0	124.0	76.6	91.0	38.2	42.1	47.9	58.4	67.4	71.8

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns. 4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. 5/ Average local market price, excluding incentive payments. R = revised. P = preliminary. — not available.

Information contact: Ann Duncan (202) 219–0313.

Producer & Consumer Prices

Table 6.—Consumer Price Index for All Urban Consumers, U.S. Average (Not Seasonally Adjusted)

	Annual	1990				1991				
	1990	May	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
					1982–84=100					
Consumer Price Index, all items	130.7	129.2	133.5	133.8	133.8	134.6	134.8	135.0	135.2	135.6
Consumer Price Index, less food	130.3	128.7	133.5	133.7	133.7	134.3	134.6	134.8	134.9	135.4
All food	132.4	131.3	133.6	134.0	134.2	135.8	135.5	135.8	136.7	136.8
Food away from home	133.4	133.0	135.0	135.4	135.7	135.8	136.2	136.5	137.1	137.5
Food at home	132.3	130.9	133.4	133.8	133.8	136.4	135.7	136.0	137.0	136.9
Meats 1/	128.5	128.6	131.7	133.1	133.6	133.5	132.8	133.1	132.7	133.4
Beef & veal	128.8	128.5	130.1	131.9	133.0	132.9	132.6	132.9	133.4	134.1
Pork	129.8	128.5	136.4	137.1	136.8	136.5	135.1	135.2	133.3	134.2
Poultry	132.5	132.3	133.7	130.5	129.7	131.3	132.7	131.9	131.1	132.7
Fish	146.7	143.8	147.0	147.0	148.5	151.1	148.7	149.5	148.2	147.0
Eggs	124.1	115.0	125.5	126.5	126.7	139.8	125.4	133.1	124.8	112.4
Dairy products 2/	126.5	124.7	128.6	128.1	126.7	125.2	125.2	124.9	124.5	124.4
Fats & oils 3/	128.3	125.0	128.1	128.8	131.0	132.4	133.1	132.5	133.0	132.6
Fresh fruit	170.9	174.9	163.2	164.8	171.2	190.2	190.6	195.9	202.3	204.8
Processed fruit	136.9	139.2	139.5	137.0	134.6	134.7	133.2	132.2	132.3	132.1
Fresh vegetables	151.1	139.8	142.2	149.5	144.0	159.9	152.5	151.1	169.2	167.3
Potatoes	162.6	187.4	139.9	134.5	133.9	139.6	140.9	139.6	144.4	149.1
Processed vegetables	127.5	127.8	127.9	127.5	128.1	127.7	128.4	128.2	128.4	128.7
Cereals & bakery products	140.0	139.3	141.9	141.7	142.4	144.3	144.3	144.3	145.2	145.3
Sugar & sweets	124.7	124.4	126.6	126.1	126.4	127.3	127.1	128.3	128.2	129.2
Beverages, nonalcoholic	113.5	112.7	115.2	114.5	113.1	115.7	116.3	114.9	115.5	114.9
Apparel										
Apparel, commodities less footwear	122.8	124.5	127.4	126.4	123.8	122.0	124.8	127.7	129.1	126.3
Footwear	117.4	118.5	120.5	119.6	118.4	117.3	118.4	120.8	121.9	121.7
Tobacco & smoking products	181.5	176.7	185.9	187.2	190.5	195.8	196.7	197.6	199.2	199.6
Beverages, alcoholic	129.3	128.9	131.0	130.9	130.9	137.3	141.6	142.2	142.6	142.7

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: Ann Duncan (202) 219–0313.

Table 7.—Producer Price Indexes, U.S. Average (Not Seasonally Adjusted)

	Annual			1990		1991				
	1988	1989	1990	May	Dec	Jan	Feb	Mar	Apr	May
	1982 = 100									
Finished goods 1/	108.0	113.8	119.2	117.7	122.0	122.3	121.2	120.6	120.9	121.7
Consumer foods	112.6	118.7	124.4	124.5	124.2	124.6	124.4	125.1	125.4	126.2
Fresh fruit	113.5	113.2	117.3	107.7	121.9	127.4	129.4	132.7	129.5	132.4
Fresh & dried vegetables	105.5	116.7	118.1	101.3	95.7	97.0	96.4	97.2	119.7	148.7
Dried fruit	99.1	103.0	106.7	105.3	111.0	111.1	110.3	111.3	111.3	111.3
Canned fruit & juice	120.2	122.7	126.9	127.2	125.3	126.2	127.4	126.9	126.9	127.3
Frozen fruit & juice	129.8	123.9	138.9	146.0	116.2	115.1	115.0	112.2	112.5	112.6
Fresh veg. excl. potatoes	100.4	103.9	107.8	78.0	87.2	89.3	87.3	88.4	112.8	157.0
Canned veg. & juices	108.3	118.6	116.7	118.2	114.5	114.8	114.6	115.4	114.4	114.8
Frozen vegetables	108.6	115.5	118.5	120.1	116.2	118.4	119.3	118.8	118.6	118.0
Potatoes	113.9	153.8	157.3	174.7	135.5	134.0	137.5	134.6	158.4	138.1
Eggs	88.6	119.6	117.6	95.3	124.5	140.0	110.5	131.7	113.2	94.6
Bakery products	126.4	135.4	140.9	140.7	142.6	144.9	145.2	146.1	145.6	145.5
Meats	99.9	104.6	116.9	119.9	119.6	117.3	116.8	117.6	117.4	118.0
Beef & veal	101.4	108.9	116.0	117.6	121.3	118.1	116.1	118.1	118.4	117.5
Pork	95.0	97.7	119.7	127.2	118.2	116.3	117.7	117.3	115.6	118.9
Processed poultry	111.6	120.4	113.6	118.2	106.6	107.8	106.6	108.0	108.7	111.6
Fish	148.7	142.9	148.6	163.5	152.7	157.8	166.9	168.0	162.6	165.1
Dairy products	102.2	110.6	117.2	116.6	112.6	112.3	111.4	111.3	111.6	111.6
Processed fruits & vegetables	113.8	119.9	124.8	127.0	120.2	120.0	120.2	120.0	119.5	119.7
Shortening & cooking oil	118.8	116.6	123.2	127.7	120.6	119.3	120.7	121.6	120.3	117.2
Soft drinks	114.3	177.7	122.3	121.6	124.0	127.2	126.8	127.0	127.1	126.0
Consumer finished goods less foods	103.1	108.9	115.3	112.7	120.0	119.6	116.0	116.7	117.0	118.1
Beverages, alcoholic	111.6	115.2	117.2	117.7	116.9	124.4	124.1	123.6	124.3	123.2
Apparel	111.7	114.5	117.4	117.2	117.7	118.3	118.5	118.7	119.1	119.2
Footwear	115.1	120.6	125.6	125.8	126.1	126.3	126.9	128.4	127.9	128.4
Tobacco products	171.9	194.6	221.5	217.4	236.1	237.4	237.4	237.7	243.3	243.4
Intermediate materials 2/	107.1	112.0	114.5	113.1	116.7	116.4	115.5	114.3	114.0	114.1
Materials for food manufacturing	106.0	112.7	117.9	120.4	116.3	115.4	115.5	116.1	116.3	115.7
Flour	105.7	114.6	103.6	111.4	92.6	91.2	92.6	94.7	96.1	96.2
Refined sugar 3/	108.9	118.2	122.7	122.5	122.4	123.1	122.8	122.5	122.1	121.1
Crude vegetable oils	116.6	103.1	115.7	124.6	111.4	110.7	110.0	112.3	109.2	102.7
Crude materials 4/	96.0	103.1	108.9	104.7	110.5	112.6	104.4	101.6	101.2	102.2
Foodstuffs & feedstuffs	106.1	111.2	113.1	117.0	107.9	107.2	107.5	110.1	109.0	108.8
Fruits & vegetables 5/	108.5	114.6	117.2	103.6	106.7	109.8	110.3	112.2	123.4	140.8
Grains	97.9	106.4	97.5	108.6	87.0	85.9	88.0	94.0	94.1	92.7
Livestock	103.3	106.1	115.6	120.5	114.3	112.8	113.9	117.1	115.8	115.2
Poultry, live	121.5	128.8	118.8	128.2	104.2	110.4	103.1	110.2	107.3	113.9
Fibers, plant & animal	98.4	107.6	117.6	121.9	116.9	115.2	126.3	125.6	134.0	139.2
Fluid milk	89.4	98.6	101.3	100.3	85.8	84.4	83.9	83.7	82.1	82.8
Oilseeds	134.0	123.6	111.6	110.5	115.2	109.6	111.2	111.7	109.7	107.5
Tobacco, leaf	87.2	93.6	96.0	95.7	98.9	100.2	100.2	99.6	99.6	99.6
Sugar, raw cane	111.9	115.5	119.2	119.7	117.9	115.6	111.4	113.4	113.1	112.9
All commodities	106.9	112.2	116.3	114.6	118.7	119.0	117.2	116.1	116.0	116.5
Industrial commodities	106.3	111.6	115.6	113.5	119.0	119.3	117.2	115.6	115.5	116.1
All foods 6/	111.5	117.6	123.2	123.8	122.5	122.7	122.5	123.4	123.7	124.5
Farm products & processed foods & feeds	110.0	115.4	118.6	120.1	116.8	117.0	117.1	118.3	118.2	118.5
Farm products	104.9	110.9	112.2	113.7	107.2	106.9	106.7	109.8	109.4	110.2
Processed foods & feeds 6/	112.7	117.6	121.9	123.5	121.7	122.1	122.3	122.8	122.7	122.7
Cereal & bakery products	123.0	131.1	134.1	135.1	134.6	135.3	135.9	137.2	137.2	137.6
Sugar & confectionery	114.7	120.1	123.1	122.8	124.7	126.3	127.6	127.2	128.9	129.0
Beverages	114.3	118.4	120.6	121.0	125.5	124.3	125.2	125.2	125.4	124.5

1/ Commodities ready for sale to ultimate consumer. 2/ Commodities requiring further processing to become finished goods. 3/ All types & sizes of refined sugar. 4/ Products entering market for the first time that have not been manufactured at that point. 5/ Fresh & dried. 6/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). P = preliminary. R = revised.

Information contact: Ann Duncan (202) 219–0313.

Farm-Retail Price Spreads

Table 8.—Farm-Retail Price Spreads

	Annual			1990		1991				
	1988	1989	1990 P	May	Dec	Jan	Feb	Mar	Apr	May
Market basket 1/										
Retail cost (1982–84=100)	116.5	124.6	133.5	132.1	135.4	137.9	137.0	137.2	138.5	138.4
Farm value (1982–84=100)	100.5	107.1	113.3	114.2	106.6	109.2	108.1	108.3	108.1	109.1
Farm–retail spread (1982–84=100)	125.1	134.1	144.4	141.6	150.8	153.4	152.6	152.7	154.8	154.1
Farm value–retail cost (%)	30.2	30.1	29.7	30.3	27.6	27.7	27.6	27.6	27 3	27.6
Meat products										
Retail cost (1982–84=100)	112.2	118.7	128.5	126.6	133.6	133.5	132.6	133.1	132.7	133.4
Farm value (1982–84=100)	99 5	103.3	116.6	120 0	114.5	114.5	116.0	117.0	117.2	117.0
Farm–retail spread (1982–84=100)	125.2	130.4	140.6	133.4	153.2	153.0	150.0	149.7	148.6	150.2
Farm value–retail cost (%)	44.9	44.6	46.0	48 0	43.4	43.4	44.2	44.5	44.7	44.4
Dairy products										
Retail cost (1982–84=100)	108.4	115 6	126.5	124.7	126.7	125.2	125.2	124.9	124.5	124.4
Farm value (1982–84=100)	90.6	99.1	101.9	99.1	88.8	86.1	86.7	85.6	85.0	84.0
Farm–retail spread (1982–84=100)	124.7	130.8	149.2	148.3	161.7	161 2	160.7	161.2	160.9	161.6
Farm value–retail cost (%)	40.1	41.1	38.6	38.1	33.6	33.0	33.2	32.9	32.8	32.4
Poultry										
Retail cost (1982–84=100)	120.7	132.7	132.5	132.3	129.7	131.3	132.7	131.9	131.1	132.7
Farm value (1982–84=100)	110.2	117.1	107.6	113.9	95.3	100.2	97.7	101.1	100.1	103.7
Farm–retail spread (1982–84=100)	132.6	150.6	161.1	153.5	169.3	167.1	173.0	167.3	166.7	166.1
Farm value–retail cost (%)	48.9	47.2	43.5	46.1	39.3	40.6	39.4	41.0	40.9	41.6
Eggs										
Retail cost (1982–84=100)	93.6	118.5	124.1	115.0	128.7	139.6	125.4	133.1	124.8	112.4
Farm value (1982–84=100)	76.7	107.5	108.0	88.0	120.8	126.5	103.3	128.7	96.6	85.4
Farm–retail spread (1982–84=100)	123.9	138.1	153.2	163.5	142.8	163.7	165.2	141.0	175.5	160.9
Farm value–retail cost (%)	52.7	58.3	55.9	49 2	60.3	58.1	52.9	62.1	49.7	48.6
Cereal & bakery products										
Retail cost (1982–84=100)	122.1	132.4	140.9	139.3	142.4	144.3	144.3	144.3	145 2	145.3
Farm value (1982–84=100)	92.7	101.7	90.5	98.9	78.6	79.2	80.3	83.5	84.9	85.4
Farm–retail spread (1982–84=100)	126.2	136.7	146.9	144.9	151.3	153.4	153.2	152 8	153.6	153.7
Farm value–retail cost (%)	9.3	9.4	7.9	8.7	6.8	6.7	6.8	7.1	7.2	7.2
Fresh fruits										
Retail cost (1982–84=100)	145.4	154.7	174.6	179.4	176.6	198.3	196.5	197.4	206.5	207.3
Farm value (1982–84=100)	116.5	108.5	128.0	123.5	132.4	205.5	198.7	165.3	162.3	171.0
Farm–retail spread (1982–84=100)	158.7	176.0	196.0	205.2	197.0	195.0	195.5	212.2	226.9	224.1
Farm value–retail cost (%)	25.3	22.2	23.2	21.7	23.7	32.7	31.9	26.4	24 8	26.1
Fresh vegetables										
Retail costs (1982–84=100)	129.3	143.1	151.1	139.6	144.0	159.9	152.5	151.1	169.2	167.3
Farm value (1982–84=100)	105.6	123.3	124.2	114.5	105.3	112.9	106.7	103.5	131.3	151.7
Farm–retail spread (1982–84=100)	141.3	153.2	165.0	152 8	163.9	184.1	176.0	175.6	188 7	175.3
Farm value–retail cost (%)	27.8	29.3	27.9	27.8	24.8	24 0	23.8	23.2	26.3	30.6
Processed fruits & vegetables										
Retail cost (1982–84=100)	117.6	125.0	132.7	134.1	131.6	131.5	131.0	130.3	130.5	130.5
Farm value (1982–84=100)	136.6	133.6	147.2	152.1	140.3	120.1	120.7	121.3	121.1	121.2
Farm–retail spread (1982–84=100)	111.7	122.3	128.1	128.5	128 9	135.1	134.2	133.1	133.4	133.4
Farm value–retail costs (%)	27.6	25.4	26.4	27.0	25.3	21.7	21.9	22.1	22.1	22.1
Fats & oils										
Retail cost (1982–84=100)	113.1	121.2	126.3	125.0	131.0	132.4	133.1	132.5	133.0	132.6
Farm value (1982–84=100)	103.0	95.6	107.1	115.1	104.6	103.8	103.3	105.8	105.8	100.0
Farm–retail spread (1982–84=100)	116.8	130.6	133.4	128.6	140.7	142.9	144.1	142.3	143.0	144.6
Farm value–retail cost (%)	24.5	21.2	22.8	24.8	21.5	21.1	20.9	21.5	21.4	20.3

	Annual			1990		1991				
	1988	1989	1990 P	May	Dec	Jan	Feb	Mar	Apr	May
Beef, Choice										
Retail price 2/ (cts./lb.)	250.3	265.7	281.9	283.6	295 3	294.9	292.5	295.4	297.1	296.1
Wholesale value 3/ (cts.)	169.4	176.8	189.6	191.6	199.4	192.6	189.6	193 4	194.1	190.9
Net farm value 4/ (cts.)	148.3	157.6	168.4	167.2	174.7	170.2	171.1	175.5	175 3	170.0
Farm–retail spread (cts.)	102.0	108.1	112.6	116.4	120.6	124.7	121.4	119.9	121.8	126.1
Wholesale–retail 5/ (cts.)	80.9	88.9	91.4	92.0	95.9	102.3	102.9	102.0	103.0	105.2
Farm–wholesale 6/ (cts.)	21.1	19.2	21.2	24.4	24.7	22.4	18.5	17.9	18.8	20.9
Farm value–retail price (%)	59	59	60	59	59	58	58	59	59	57
Pork										
Retail price 2/ (cts./lb.)	183.4	182.9	212.6	206 2	223.2	216.1	215.5	213.9	211.7	213.3
Wholesale value 3/ (cts.)	101.0	99.2	118.3	127.2	117.5	109.7	110.1	110.8	109.7	115.5
Net farm value 4/ (cts.)	69.4	70.4	87.2	99.5	77.3	81.4	83.1	82.7	81.4	87.4
Farm–retail spread (cts.)	114.0	112.5	125.4	106.7	145.9	134.7	132.4	131.2	130 3	125.9
Wholesale–retail 5/ (cts.)	82.4	83.7	94.3	79.0	105.7	106.4	105.4	103.1	102.0	97.8
Farm–wholesale 6/ (cts.)	31.6	28.8	31.1	27.7	40.2	28.3	27.0	28.1	28.3	28.1
Farm value–retail price (%)	38	38	41	48	35	38	39	39	38	41

1/ Retail costs are based on CPI–U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm–retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, and in–city transportation. 6/ Charges for livestock marketing, processing, & transportation.

Information contacts: Denis Dunham (202) 219–0870, Larry Duewer (202) 219–0712.

Table 9.—Price Indexes of Food Marketing Costs

(See the June 1991 Issue.)

Information contact: Denis Dunham (202) 219-0870.

Livestock & Products

Table 10.—U.S. Meat Supply & Use

	Beg. stocks	Produc-tion 1/	Imports	Total supply	Exports	Ending stocks	Consumption: Total	Consumption: Per capita 2/	Primary market price 3/
	Million pounds 4/							Pounds	
Beef									
1988	386	23,589	2,380	26,355	681	422	25,252	72.6	71.19
1989	422	23,087	2,179	25,688	1,023	335	24,330	69.3	73.86
1990	335	22,743	2,356	25,434	1,006	397	24,031	67.8	76.56
1991 F	397	22,977	2,280	25,654	1,080	315	24,259	67.7	76–79
Pork									
1988	360	15,684	1,136	17,180	195	437	16,548	52.5	43.39
1989	437	15,813	896	17,146	262	313	16,571	52.0	44.03
1990	313	15,354	898	16,565	239	296	16,030	49.8	54.45
1991 F	296	16,055	878	17,229	254	375	16,600	51.0	49–52
Veal 5/									
1988	4	396	27	427	10	5	412	1.4	89.85
1989	5	355	0	360	0	4	356	1.2	91.84
1990	4	327	0	331	0	6	325	1.1	96.51
1991 F	6	316	0	322	0	4	318	1.0	102–105
Lamb & mutton									
1988	8	335	51	394	1	6	387	1.4	68.26
1989	6	347	63	416	2	8	406	1.5	67.32
1990	8	363	59	430	3	8	419	1.5	55.54
1991 F	8	366	60	434	2	9	423	1.5	52–55
Total red meat									
1988	758	40,004	3,594	44,356	887	870	42,599	127.9	—
1989	870	39,602	3,138	43,610	1,287	660	41,663	124.0	—
1990	660	38,787	3,313	42,760	1,248	707	40,805	120.1	—
1991 F	707	39,714	3,218	43,639	1,336	703	41,600	121.3	—
Broilers									
1988	25	16,187	0	16,212	765	36	15,410	62.9	56.3
1989	36	17,424	0	17,460	814	38	16,608	67.1	59.0
1990	38	18,660	0	18,698	1,143	28	17,529	70.1	54.8
1991 F	28	19,650	0	19,676	1,070	30	18,576	73.6	49–52
Mature chicken									
1988	188	633	0	821	26	157	639	2.6	—
1989	157	568	0	725	24	189	511	2.1	—
1990	189	588	0	777	25	224	528	2.1	—
1991 F	224	572	0	796	25	230	542	2.1	—
Turkeys									
1988	266	3,960	0	4,226	51	250	3,926	16.0	61.2
1989	250	4,285	0	4,535	41	236	4,259	17.2	66.7
1990	236	4,734	0	4,970	54	306	4,610	18.4	63.2
1991 F	306	4,621	0	5,127	64	260	4,804	19.0	61–64
Total poultry									
1988	479	20,780	0	21,259	842	442	19,975	81.5	—
1989	442	22,278	0	22,720	878	463	21,378	86.4	—
1990	463	23,982	0	24,445	1,222	557	22,666	90.7	—
1991 F	557	25,043	0	25,599	1,458	520	23,921	94.7	—
Red meat & poultry									
1988	1,237	60,784	3,594	65,515	1,729	1,312	62,573	209.4	—
1989	1,312	61,880	3,138	66,330	2,165	1,123	63,042	210.4	—
1990	1,123	62,769	3,313	67,205	2,470	1,264	63,471	210.8	—
1991 F	1,264	64,757	3,228	69,238	2,494	1,223	65,521	216.1	

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass–to–retail conversion factor was .71 for 1987, & 70.5 for 1988–91.) 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef: Medium # 1, Nebraska Direct 1,100–1,300 lb.; pork: barrows & gilts, 7 markets; veal: farm price of calves; lamb & mutton: Choice slaughter lambs, San Angelo; broilers: wholesale 12–city average; turkeys: wholesale NY 8–16 lb. young hens. 4/ Carcass weight for red meats & certified ready–to–cook for poultry. 5/ Beginning 1989 veal trade no longer reported separately. F = forecast. — = not available.

Information contacts: Polly Cochran, or Maxine Davis (202) 219–0767.

Table 11.—U.S. Egg Supply & Use

	Beg. stocks	Pro-duc-tion	Im-ports	Total supply	Ex-ports	Hatch-ing use	Ending stocks	Consumption: Total	Consumption: Per capita	Wholesale price*
	Million dozen								No.	Cts./doz.
1986	10.7	5,766.3	13.7	5,790.7	101.6	566.8	10.4	5,111.9	254.9	71.1
1987	10.4	5,868.2	5.6	5,884.2	111.2	599.1	14.4	5,159.5	254.9	61.6
1988	14.4	5,784.2	5.3	5,803.9	141.8	605.9	15.2	5,041.0	246.8	62.1
1989	15.2	5,597.8	25.2	5,638.2	91.6	642.9	10.7	4,893.0	237.3	81.9
1990	10.7	5,659.9	9.1	5,679.6	100.5	675.6	11.6	4,891.7	234.8	82.2
1991 F	11.6	5,687.5	1.7	5,700.9	126.8	719.2	12.0	4,842.9	230.2	75–81

* Cartoned grade A large eggs, New York. F = forecast.

Information contact: Maxine Davis (202) 219–0767.

Table 12.—U.S. Milk Supply & Use[1]

	Pro-duc-tion	Farm use	Commercial: Farm market-ings	Commercial: Beg. stock	Im-ports	Total commer-cial supply	CCC net re-movals	Commercial: Ending stocks	Commercial: Disap-pear-ance	All milk price 2/
	Billion pounds									
1984	135.4	2.9	132.4	5.2	2.7	140.4	8.8	4.9	126.8	13.46
1985	143.0	2.5	140.6	4.9	2.8	148.3	13.2	4.6	130.5	12.76
1986	143.1	2.4	140.7	4.6	2.7	148.1	10.6	4.2	133.3	12.51
1987	142.7	2.3	140.5	4.2	2.5	147.1	6.7	4.6	135.8	12.54
1988	145.2	2.2	142.9	4.6	2.4	149.9	9.4	4.3	136.6	12.26
1989	144.2	2.1	142.2	4.3	2.5	148.9	9.4	4.1	135.4	13.56
1990	148.3	2.1	146.2	4.1	2.7	153.0	9.0	5.1	138.9	13.77
1991 F	149.3	2.1	147.2	5.1	2.5	154.8	10.4	4.4	140.0	11.75

1/ Milkfat basis. Totals may not add because of rounding. 2/ Delivered to plants & dealers; does not reflect deductions. F = forecast.

Information contact: Jim Miller (202) 219–0770.

Table 13.—Poultry & Eggs

	Annual: 1988	Annual: 1989	Annual: 1990	1990: May	1990: Dec	1991: Jan	1991: Feb	1991: Mar	1991: Apr	1991: May
Broilers										
Federally inspected slaughter, certified (mil. lb.)	16,124.4	17,424.1	18,553.9	1,635.1	1,437.0	1,687.6	1,488.1	1,616.4	1,692.0	1,732.6
Wholesale price, 12-city (cts./lb.)	56.3	59.0	54.8	57.9	49.6	51.7	50.6	51.4	52.0	52.0
Price of grower feed ($/ton)	219	237	218.3	219	213	213	214	211	2.09	209
Broiler–feed price ratio 1/	3.1	3.0	3.0	3.2	2.7	2.9	2.8	2.9	2.9	3.0
Stocks beginning of period (mil. lb.)	24.8	35.9	38.3	32.9	27.7	26.1	22.7	27.3	30.5	32.6
Broiler-type chicks hatched (mil.) 2/	5,602.4	5,946.9	6,314.6	555.0	547.5	543.9	497.1	567.1	554.0	583.3
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	3,923.4	4,285.5	4,560.9	384.1	328.8	368.7	322.0	330.1	377.0	361.7
Wholesale price, Eastern U.S., 8–16 lb. young hens (cts./lb.)	61.2	66.7	63.2	61.3	56.1	53.6	55.8	59.1	60.3	62.3
Price of turkey grower feed ($/ton)	243	251	238.4	239	238	234	237	235	237	236
Turkey–feed price ratio 1/	3.0	3.2	3.2	3.2	3.1	2.9	2.9	3.2	3.1	3.3
Stocks beginning of period (mil. lb.)	266.2	249.7	235.9	354.9	338.4	306.4	301.1	339.1	365.9	406.0
Poults placed in U.S. (mil.)	261.4	290.7	304.9	29.1	22.8	25.9	25.3	28.8	28.8	29.8
Eggs										
Farm production (mil.)	69,410	67,174	67,919	5,757	5,364	5,837	5,284	5,889	5,621	5,761
Average number of layers (mil.)	277	269	270	269	272	273	274	272	271	271
Rate of lay (eggs per layer on farms)	251	250	251.7	21.4	21.5	21.3	19.3	21.6	20.7	21.3
Cartoned price, New York, grade A large (cts./doz.) 3/	62.1	81.9	82.2	67.9	92.5	87.5	78.3	91.9	74.9	67.0
Price of laying feed ($/ton)	203	209	202	197	199	198	199	199	195	195
Egg–feed price ratio 1/	5.3	6.7	6.9	6.2	7.7	8.0	6.8	8.1	6.7	6.1
Stocks, first of month										
Shell (mil. doz.)	1.29	0.27	0.36	0.60	0.48	0.45	0.51	0.27	0.42	0.36
Frozen (mil. doz.)	13.1	14.9	10.3	13.1	13.0	11.2	11.2	10.6	10.7	9.8
Replacement chicks hatched (mil.)	366	383	399.0	37.9	31.3	33.1	34.8	37.0	39.5	38.9

1/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 2/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler-type chicks will be used as a substitute. 3/ Price of cartoned eggs to volume buyers for delivery to retailers.

Information contact: Maxine Davis (202) 219–0767.

Table 14.—Dairy

	Annual			1990		1991				
	1988	1989	1990	May	Dec	Jan	Feb	Mar	Apr	May
Milk prices, Minnesota–Wisconsin, 3.5% fat ($/cwt) 1/	11.03	12.37	12.21	12.78	10.19	10.16	10.04	10.02	10.04	10.23
Wholesale prices										
Butter, grade A Chi. (cts./lb.)	132.5	127.9	102.1	99.0	98.0	97.3	97.3	97.3	97.3	97.2
Am. cheese, Wis. assembly pt. (cts./lb.)	123.8	138.8	136.7	145.7	112.7	111.4	111.5	111.5	111.7	115.0
Nonfat dry milk (cts./lb.) 2/	80.2	105.5	100.8	125.4	86.2	85.2	85.1	85.1	85.4	86.1
USDA net removals										
Total milk equiv. (mil. lb.) 3/	9,070.1	9,357.0	8,951.2	1,066.4	831.9	1,843.6	1,659.9	1,264.3	1,685.5	1,442.6
Butter (mil. lb.)	312.6	413.4	400.3	48.9	30.5	77.5	68.1	52.0	70.4	62.4
Am. cheese (mil. lb.)	238.1	37.4	21.5	0	17.0	15.5	18.0	13.0	15.1	8.2
Nonfat dry milk (mil. lb.)	267.5	0	117.6	0	42.6	55.4	44.2	42.5	48.4	28.8
Milk										
Milk prod. 21 States (mil. lb.)	123,518	122,509	125,714	11,252	10,467	10,663	9,948	11,097	10,906	11,238
Milk per cow (lb.)	14,291	14,369	14,768	1,324	1,225	1,253	1,172	1,311	1,294	1,335
Number of milk cows (1,000)	8,643	8,526	8,513	8,496	8,547	8,510	8,487	8,464	8,426	8,418
U.S. milk production (mil. lb.)	145,152	144,239	148,284 e/	13,255 e/	12,377 e/	12,596 e/	11,752 e/	13,115 e/	12,853 e/	13,239
Stock, beginning										
Total (mil. lb.)	7,473	8,379	9,036	11,963	13,026	13,359	14,758	15,730	16,765	18,402
Commercial (mil. lb.)	4,596	4,256	4,120	5,142	5,033	5,146	7,413	5,802	5,969	6,289
Government (mil. lb.)	2,877	4,122	4,916	6,820	7,993	8,213	8,925	9,928	10,796	12,113
Imports, total (mil. lb.) 3/	2,394	2,499	2,690	216	208	164	142	155	174	—
Commercial disappearance (mil. lb.)	136,574	135,439	138,949	11,961	11,466	10,055	10,107	11,665	10,854	—
Butter										
Production (mil. lb.)	1,207.5	1,295.4	1,302.2	118.6	121.2	142.1	126.3	131.6	133.7	126.0
Stocks, beginning (mil. lb.)	143.2	214.7	256.2	358.8	407.6	416.1	470.8	524.8	555.9	616.8
Commercial disappearance (mil. lb.)	909.8	876.0	915.2	66.5	90.2	37.8	51.6	65.1	56.3	—
American cheese										
Production (mil. lb.)	2,756.6	2,674.1	2,890.8	261.2	248.2	247.1	222.4	250.0	236.9	247.5
Stocks, beginning (mil. lb.)	370.4	293.0	236.2	302.0	334.6	347.4	361.5	343.5	381.4	403.6
Commercial disappearance (mil. lb.)	2,570.0	2,683.1	2,791.0	241.3	225.7	230.3	222.0	206.7	207.4	—
Other cheese										
Production (mil. lb.)	2,815.4	2,941.3	3,170.4	281.6	273.9	254.6	235.6	271.3	263.8	268.5
Stocks, beginning (mil. lb.)	89.7	104.7	93.2	112.7	102.9	110.6	113.0	107.5	106.2	106.9
Commercial disappearance (mil. lb.)	3,034.5	3,208.9	3,429.8	298.5	288.6	266.0	254.7	288.3	282.2	—
Nonfat dry milk										
Production (mil. lb.)	979.7	874.7	876.6	93.4	81.2	82.6	77.9	87.6	95.1	101.4
Stocks, beginning (mil. lb.)	177.2	53.1	49.5	62.8	143.6	161.9	188.4	207.1	255.8	287.0
Commercial disappearance (mil. lb.)	734.3	873.0	695.0	85.9	38.7	35.8	44.4	51.8	51.3	—
Frozen dessert										
Production (mil. gal.) 4/	1,248.0	1,214.0	1,162.9	113.1	72.9	78.9	82.3	99.3	103.5	114.7

	Annual			1989	1990				1991	
	1988	1989	1990	IV	I	II	III	IV P	I P	II P
Milk production (mil. lb.)	145,152	144,239	148,284	34,939	36,740	38,626	36,632	36,285	37,470	38,726
Milk per cow (lb.)	14,145	14,244	14,642	3,451	3,627	3,820	3,620	3,575	3,708	3,862
No. of milk cows (1,000)	10,262	10,128	10,127	10,126	10,128	10,111	10,119	10,151	10,104	10,027
Milk–feed price ratio 5/	1.58	1.65	1.72	1.92	1.83	1.69	1.74	1.57	1.49	1.47
Returns over concentrate costs 5/ ($/cwt milk)	8.99	10.18	10.39	12.16	11.13	10.00	10.50	9.03	8.30	8.10

1/ Manufacturing grade milk. 2/ Prices paid f.o.b. Central States production area. 3/ Milk equivalent, fat basis. 4/ Hard ice cream, ice milk, & hard sherbet. 5/ Based on average milk price after adjustment for price support deductions. e/ Estimated. P = preliminary. — = not available.

Information contact: LaVerne T. Williams (202) 219–0770.

Table 15.—Wool

	Annual			1989	1990				1991
	1988	1989	1990	IV	I	II	III	IV	I
U.S. wool price, (cts./lb.) 1/	438	370	256	328	289	272	238	227	197
Imported wool price, (cts./lb.) 2/	372	354	287	316	327	312	281	270	235
U.S. mill consumption, scoured 3/									
Apparel wool (1,000 lb.)	117,069	120,534	120,622	26,805	31,511	31,726	26,888	30,497	32,338
Carpet wool (1,000 lb.)	15,633	14,122	12,124	2,964	3,911	2,950	3,125	2,138	3,088

1/ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60–22.04 microns) staple 2–3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1962 has been 10.0 cents. 3/ Beginning 1990 mill consumption reported only on a quarterly basis. — = not available.

Information contact: John Lawler (202) 219–0840.

Table 16.—Meat Animals

	Annual			1990		1991				
	1988	1989	1990	May	Dec	Jan	Feb	Mar	Apr	May
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,411	8,045	8,378	8,181	9,129	9,137	9,103	8,974	9,056	8,675
Placed on feed (1,000 head)	20,654	20,834	21,215	1,612	1,478	1,791	1,465	1,773	1,462	1,747
Marketings (1,000 head)	19,918	19,422	19,238	1,776	1,349	1,707	1,481	1,554	1,715	1,696
Other disappearance (1,000 head)	1,202	1,079	1,218	150	121	118	113	137	128	141
Beef steer–corn price ratio, Omaha 2/	31.5	30.3	32.8	29.3	36.5	35.3	34.3	34.0	32.8	32.7
Hog–corn price ratio, Omaha 2/	19.6	18.4	23.1	23.6	22.0	23.0	22.8	21.8	20.8	22.9
Market prices ($/cwt)										
Slaughter cattle										
Choice steers, Omaha 1,000–1,100 lb.	69.54	72.52	77.40	77.67	80.88	78.95	78.83	80.75	80.77	78.28
Choice steers, Neb. Direct. 1,100–1,300 lb.	71.19	73.86	78.56	78.17	81.42	79.35	79.60	81.23	81.09	78.29
Boning utility cows, Sioux Falls	47.21	48.98	53.60	53.94	50.35	49.41	51.49	52.06	52.13	53.40
Feeder cattle										
Medium no. 1, Oklahoma City 600–700 lb.	84.72	86.66	92.15	93.71	95.67	94.21	95.53	96.38	98.52	97.06
Slaughter hogs										
Barrows & gilts, 7–markets	43.39	44.03	54.45	62.18	48.15	51.00	51.93	51.57	51.01	54.47
Feeder pigs										
S. Mo. 40–50 lb. (per head)	36.06	33.63	51.46	56.80	49.63	48.50	57.47	63.63	60.97	52.98
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	68.26	67.32	55.54	62.25	48.06	47.63	45.81	54.88	55.50	57.70
Ewes, Good, San Angelo	38.88	38.58	35.21	33.25	34.67	31.94	30.38	34.88	35.50	29.90
Feeder lambs										
Choice, San Angelo	90.89	79.85	62.95	64.30	59.17	50.63	49.06	59.25	58.63	64.98
Wholesale meat prices, Midwest										
Boxed beef cut–out value*	110.50	114.78	123.21	124.56	129.48	125.04	123.24	125.45	125.96	123.76
Canner & cutter cow beef	87.77	94.43	99.96	101.29	97.32	95.67	100.50	103.43	101.93	103.31
Pork loins, 14–18 lb. 3/	97.49	101.09	117.52	136.06	103.50	107.53	109.13	110.33	104.81	120.48
Pork bellies, 12–14 lb.	41.25	34.14	53.80	61.48	56.58	64.11	57.20	58.52	57.25	57.50
Hams, skinned, 14–17 lb.	71.03	69.39	87.70	81.60	86.13	73.00	83.17	81.42	75.00	80.00
All fresh beef retail price 4/	224.81	238.97	254.99	251.52	265.75	261.30	261.57	261.39	265.15	265.87
Commercial slaughter (1,000 head)**										
Cattle	35,079	33,917	33,242	2,993	2,453	2,881	2,469	2,510	2,741	2,851
Steers	17,346	16,539	16,587	1,549	1,227	1,416	1,220	1,249	1,439	1,491
Heifers	10,753	10,406	10,090	896	695	858	741	741	790	850
Cows	6,338	6,316	5,920	490	486	557	461	472	460	454
Bulls & stags	644	657	644	58	45	50	47	48	52	56
Calves	2,506	2,172	1,789	141	140	154	125	123	109	105
Sheep & lambs	5,293	5,465	5,654	479	465	508	461	565	457	461
Hogs	87,795	88,691	85,135	6,981	7,355	7,652	6,637	7,218	7,495	7,130
Commercial production (mil. lb.)										
Beef	23,424	22,974	22,634	2,007	1,681	1,968	1,694	1,721	1,872	1,948
Veal	387	344	316	25	27	31	26	25	23	23
Lamb & mutton	329	341	357	31	30	33	30	36	29	30
Pork	15,623	15,759	15,299	1,257	1,342	1,396	2,954	1,301	1,361	1,291

	Annual			1990				1991		
	1988	1989	1990	I	II	III	IV	I	II	III
Cattle on feed (13 States)										
Number on feed (1,000 head) 1/	10,114	9,688	9,943	9,943	10,063	8,761	9,092	10,977	10,869	—
Placed on feed (1,000 head)	24,423	24,469	24,948	6,083	5,088	6,333	7,486	5,892	—	—
Marketings (1,000 head)	23,459	22,940	22,561	5,578	5,988	5,741	5,254	5,538 6/	6,375	—
Other disappearance (1,000 head)	1,390	1,274	1,393	385	400	261	347	462	—	—
Hogs & pigs (10 States) 5/										
Inventory (1,000 head) 1/	42,675	43,210	42,200	42,200	40,190	42,630	44,120	42,900	41,990	44,520
Breeding (1,000 head) 1/	5,435	5,335	5,275	5,275	5,245	5,405	5,300	5,257	5,450	5,700
Market (1,000 head) 1/	37,240	37,875	36,925	36,925	34,945	37,225	38,820	37,643	36,540	38,820
Farrowings (1,000 head)	9,370	9,203	8,955	2,028	2,458	2,236	2,238	2,129	2,577	2,413
Pig crop (1,000 head)	72,268	71,807	70,549	15,870	19,576	17,684	17,459	16,770	20,555	—

1/ Beginning of period. 2/ Bushels of corn equal in value to 100 pounds live weight. 3/ Prior to 1984, 8–14 lb.; 1984 & 1985, 14–17 lb; beginning 1986, 14–18 lb. 4/ New series estimating the composite price of all beef grades & ground beef sold by retail stores. This new series is in addition to, but does not replace, the series for the retail price of Choice beef that appears in table 8. 5/ Quarters are Dec. of preceding year–Feb. (I), Mar.–May (II), June–Aug. (III), & Sept–Nov. (IV). 6/ Intentions. ** Classes estimated. May not add to NASS totals due to rounding. — = not available.

Note: *This series replaces the Choice steer beef price, 600–700 lb., which was discontinued with the June 1990 number. The new number is the value of Choice beef from a yield grade 1–3, 550–700 lb. carcass.

Information contact: Polly Cochran (202) 219–0767.

Crops & Products

Table 17.—Supply & Utilization[1,2]

	Area											
	Set aside 3/	Planted	Harvested	Yield	Production	Total supply 4/	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price 5/
		Mil. acres		Bu./acre				Mil. bu.				$/bu.
Wheat												
1986/87	21.0	72.1	60.7	34.4	2,091	4,017	401	796	999	2,196	1,821	2.42
1987/88	23.9	65.8	56.0	37.7	2,108	3,945	280	806	1,598	2,684	1,261	2.57
1988/89	22.6	65.5	53.2	34.1	1,812	3,096	157	818	1,419	2,394	702	3.72
1989/90*	9.6	76.6	62.1	32.7	2,037	2,782	160	853	1,233	2,225	536	3.72
1990/91*	7.1	77.3	69.4	39.5	2,739	3,312	486	885	1,075	2,440	866	2.61
1991/92*	—	70.0	58.1	35.0	2,032	2,933	275	915	1,100	2,290	643	2.70–3.10
		Mil. acres		Lb./acre				Mil. cwt (rough equiv.)				$/cwt
Rice												
1986/87	1.48	2.36	2.36	5,651	133.4	213.3	—	6/ 77.7	84.2	161.9	51.4	3.75
1987/88	1.57	2.36	2.33	5,555	129.6	184.0	—	6/ 80.4	72.2	152.6	31.4	7.27
1988/89	1.09	2.93	2.90	5,514	159.9	195.0	—	6/ 82.3	85.9	168.2	26.7	6.83
1989/90*	1.21	2.73	2.69	5,749	154.5	185.4	—	6/ 82.4	76.8	159.2	26.3	7.35
1990/91*	1.03	2.89	2.81	5,607	154.9	186.0	—	6/ 88.8	71.0	159.8	26.2	6.50–7.00
1991/92*	—	—	—	—	157.5	189.2	—	6/ 93.0	70.0	163.0	26.2	6.00–8.00
		Mil. acres		Bu./acre				Mil. bu.				$/bu.
Corn												
1986/87	14.3	76.7	68.9	119.4	8,226	12,267	4,701	1,192	1,492	7,325	4,882	1.50
1987/88	23.1	65.2	59.6	119.8	7,131	12,016	4,812	1,229	1,716	7,757	4,259	1.94
1988/89	20.5	67.7	58.3	84.6	4,929	9,191	3,987	1,245	2,028	7,260	1,930	2.54
1989/90*	10.8	72.3	64.8	116.2	7,525	9,458	4,456	1,290	2,367	8,113	1,344	2.36
1990/91*	10.1	74.2	67.0	118.5	7,933	9,280	4,750	1,330	1,725	7,805	1,475	2.25–2.30
1991/92*	—	—	—	—	8,275	9,752	4,950	1,360	1,750	8,060	1,692	1.90–2.30
		Mil. acres		Bu./acre				Mil. bu.				$/bu.
Sorghum												
1986/87	3.0	15.3	13.9	67.7	938	1,489	535	12	198	746	743	1.37
1987/88	4.1	11.8	10.5	69.4	731	1,474	555	25	231	811	663	1.70
1988/89	3.9	10.3	9.0	63.8	577	1,239	468	22	310	800	440	2.27
1989/90*	3.3	12.6	11.2	55.4	615	1,055	517	15	304	835	220	2.10
1990/91*	3.0	10.7	9.1	62.9	571	791	415	13	220	648	143	2.05–2.10
1991/92*	—	—	—	—	630	773	425	15	210	650	123	1.75–2.15
		Mil. acres		Bu./acre				Mil. bu.				$/bu
Barley												
1986/87	2.1	13.1	12.0	50.8	611	944	298	174	137	608	336	1.61
1987/88	2.9	11.0	9.9	52.4	521	869	254	174	120	548	321	1.81
1988/89	2.8	9.8	7.6	38.0	290	622	166	180	79	425	196	2.80
1989/90*	2.3	9.2	8.3	48.6	404	614	190	179	84	453	161	2.42
1990/91*	2.6	8.3	7.5	55.9	419	595	195	184	80	459	136	2.14
1991/92*	—	—	8.4	56.5	476	622	175	175	85	475	147	1.70–2.10
		Mil. acres		Bu./acre				Mil. bu.				$/bu.
Oats												
1986/87	0.6	14.7	6.9	56.3	386	603	395	73	3	471	133	1.21
1987/88	0.8	18.0	6.9	54.0	374	552	358	81	1	440	112	1.56
1988/89	0.3	13.9	5.5	39.3	218	393	194	100	1	294	98	2.61
1989/90*	0.4	12.1	6.9	54.3	374	538	265	115	1	381	157	1.49
1990/91*	0.2	10.4	5.9	60.1	357	574	282	120	1	403	171	1.14
1991/92*	—	—	5.0	56.3	280	516	265	125	1	391	126	0.95–1.25
		Mil. acres		Bu./acre				Mil. bu.				$/bu.
Soybeans												
1986/87	0	60.4	58.3	33.3	1,940	2,476	0	1,179	757	2,040	436	4.78
1987/88	0	58.2	57.2	33.9	1,936	2,374	0	1,174	802	2,072	302	5.88
1988/89	0	56.8	57.4	27.0	1,549	1,855	0	1,056	527	1,673	192	7.42
1989/90*	0	60.8	59.5	32.3	1,924	2,109	0	1,148	623	1,870	238	6.69
1990/91*	0	57.8	56.5	34.0	1,922	2,163	0	1,170	545	1,813	350	5.75
1991/92*	—	—	—	—	1,970	2,325	0	1,215	640	1,950	375	4.60–5.80
								Mil. lbs.				7/ Cts./lb.
Soybean oil												
1986/87	—	—	—	—	12,783	13,745	—	10,833	1,187	12,020	1,725	15.40
1987/88	—	—	—	—	12,974	14,895	—	10,930	1,873	12,803	2,092	22.65
1988/89	—	—	—	—	11,737	13,967	—	10,591	1,661	12,252	1,715	21.10
1989/90*	—	—	—	—	13,004	14,741	—	12,083	1,353	13,436	1,305	22.30
1990/91*	—	—	—	—	13,075	14,400	—	12,100	600	12,700	1,700	20.50
1991/92*	—	—	—	—	13,490	15,200	—	12,200	900	13,150	2,050	15.5–19.5
								1,000 tons				8/ $/ton
Soybean meal												
1986/87	—	—	—	—	27,758	27,970	—	20,387	7,343	27,730	240	163
1987/88	—	—	—	—	28,060	28,300	—	21,293	6,854	28,147	153	222
1988/89	—	—	—	—	24,943	25,100	—	19,639	5,288	24,927	173	233
1989/90*	—	—	—	—	27,719	27,900	—	22,558	5,024	27,582	318	174
1990/91*	—	—	—	—	27,767	28,100	—	22,700	5,000	27,700	400	165
1991/92*	—	—	—	—	28,845	29,250	—	23,400	5,500	28,900	350	140–175

See footnotes at end of table.

Table 17.—Supply & Utilization, continued

	Area											
	Set Aside 3/	Planted	Harvested	Yield	Production	Total supply 4/	Feed and residual	Other domestic use	Exports	Total use	Ending Stocks	Farm price 5/
	Mil. acres			Lb./acre	Mil. bales							
Cotton 6/												
1986/87	4.2	10.0	8.5	552	9.7	19.1	—	7.4	6.7	14.1	5.0	52.40
1987/88	3.9	10.4	10.0	706	14.8	19.8	—	7.6	6.6	14.2	5.6	54.30
1988/89	2.2	12.5	12.0	619	15.4	21.2	—	7.8	6.2	13.9	7.1	56.60
1989/90*	3.5	10.6	9.5	614	12.2	19.3	—	8.8	7.7	16.4	3.0	66.20
1990/91*	1.9	12.4	11.7	640	15.5	18.5	—	8.5	7.9	16.4	2.2	67.80
1991/92*	—	—	—	—	16.2	18.4	—	8.5	7.0	15.5	3.0	10/

*July 11, 1991 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats, August 1 for cotton & rice, September 1 for soybeans, corn, & sorghum, October 1 for soymeal & soyoil. 2/ Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 45.9296 bushels of barley, 68.8944 bushels of oats, 22.046 cwt of rice, & 4.59 480-pound bales of cotton. 3/ Includes diversion, PIK, acreage reduction, 50-92, & 0-92 programs. 4/ Includes imports. 5/ Market average prices do not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Average of crude soybean oil, Decatur. 8/ Average of 44 percent, Decatur. 9/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 10/ USDA is prohibited from publishing cotton price projections. — = not available or not applicable.

Information contact: Commodity Economics Division, Crops Branch (202) 219-0840.

Table 18.—Food Grains

	Marketing year 1/			1990	1991				
	1986/87	1987/88	1988/89	1989/90	May	Jan	Feb	Mar.	Apr	May
Wholesale prices										
Wheat, No. 1 HRW, Kansas City ($/bu.) 2/	2.72	2.96	4.17	4.22	3.91	2.71	2.77	2.94	2.98	3.04
Wheat, DNS, Minneapolis ($/bu.) 3/	3.07	3.15	4.36	4.16	4.09	2.83	2.85	3.00	3.07	3.10
Rice, S.W. La. ($/cwt) 4/	10.25	19.25	14.85	15.55	15.80	14.15	15.45	15.75	16.25	16.50
Wheat										
Exports (mil. bu.)	1,004	1,592	1,424	1,233	75	89	95	119	92	—
Mill grind (mil. bu.)	755	753	769	781	64	67	66	62	67	—
Wheat flour production (mil. cwt)	335	336	345	351	28	30	29	27	30	—
Rice										
Exports (mil. cwt, rough equiv.)	84.2	72.2	85.9	78.8	4.6	5.4	7.3	6.4	5.3	—

	Marketing year 1/			1989	1990				1991	
	1987/88	1988/89	1989/90	Sept-Nov	Dec-Feb	Mar-May	June-Aug	Sept-Nov	Dec-Feb	Mar-May
Wheat										
Stocks, beginning (mil. bu.)	1,821	1,261	702	1,917.2	1,423.7	943.1	536.5	2,409.5	1,906.0	1,396.0
Domestic use										
Food (mil. bu.)	721	726	753	191.6	185.7	185.0	196.4	211.2	192.7	194.7
Seed, feed & residual (mil. bu.) 5/	365	249	239	-17.5	38.0	-47.8	409.0	25.7	101.8	39.9
Exports (mil. bu.)	1,598	1,419	1,233	328.6	259.7	275.2	268.1	278.0	225.5	303.4

1/ Beginning June 1 for wheat & August 1 for rice. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Residual includes feed use. — = not available.

Information contacts: Ed Allen & Janet Livezey (202) 219-0840.

Table 19.—Cotton

	Marketing year 1/				1990	1991				
	1986/87	1987/88	1988/89	1989/90	May	Jan	Feb	Mar	Apr	May
U.S. price, SLM, 1-1/16 in. (cts./lb.) 2/	53.2	63.1	57.7	69.8	74.6	70.5	77.7	77.9	79.9	83.9
Northern Europe price index (cts./lb.) 3/	62.0	72.7	66.4	82.3	86.9	83.4	85.2	83.7	83.2	84.4
U.S. M 1-3/32 in. (cts./lb.) 4/	61.8	76.3	69.2	83.6	88.9	85.5	93.8	94.7	96.8	99.3
U.S. mill consumpt. (1,000 bales)	7,452	7,617	7,782	8,759	800	693	715	723	—	—
Exports (1,000 bales)	6,884	6,582	6,148	7,694	590	994	1,007	1,115	708	—
Stocks, beginning (1,000 bales)	9,348	5,026	5,771	7,092	6,565	11,555	—	—	6,918	—

1/ Beginning August 1. 2/ Average spot market. 3/ Liverpool Cotlook (A) index; average of five lowest priced of 11 selected growths. 4/ Memphis territory growths. — = not available.

Information contact: Bob Skinner (202) 219-0840.

Table 20.—Feed Grains

	Marketing year 1/				1990	1991				
	1986/87	1987/88	1988/89	1989/90	May	Jan	Feb	Mar	Apr	May
Wholesale prices										
Corn, no. 2 yellow, 30 day, Chicago ($/bu.)	1.64	2.14	2.68	2.53	2.75	2.39	2.44	2.52	2.59	2.52
Sorghum, no. 2 yellow, Kansas City ($/cwt)	2.73	3.40	4.16	4.18	4.47	4.12	4.21	4.35	4.34	4.13
Barley, feed, Duluth ($/bu.) 2/	1.44	1.78	2.31	2.20	2.33	2.09	2.15	2.14	2.12	2.13
Barley, malting, Minneapolis ($/bu.)	1.89	2.04	4.11	3.20	3.17	2.33	2.38	2.46	2.48	2.41
Exports 3/										
Corn (mil. bu.)	1,504	1,723	2,028	2,387	214	144	183	188	144	120
Feed grains (mil. metric tons) 4/	46.3	52.3	61.3	69.9	6.2	4.2	5.3	5.9	4.5	3.5

	Marketing year 1/				1990				1991	
	1986/87	1987/88	1988/89	1989/90	Dec–Feb	Mar–May	June–Aug	Sept–Nov	Dec–Feb	Mar–May
Corn										
Stocks, beginning (mil. bu.)	4,040	4,882	4,259	1,930	7,082	4,812	2,843	1,345	6,940	4,789
Domestic use										
Feed (mil. bu.)	4,714	4,805	3,979	4,456	1,291	1,014	656	1,851	1,376	1,075
Food, seed, ind. (mil. bu.)	1,192	1,229	1,245	1,271	297	338	338	305	305	368
Exports (mil. bu.)	1,504	1,723	2,036	2,367	682	601	502	383	471	465
Total use (mil. bu.)	7,410	7,757	7,260	8,114	2,270	1,970	1,499	2,338	2,152	1,908

1/ September 1 for corn & sorghum; June 1 for oats & barley. 2/ Beginning March 1987 reporting point changed from Minneapolis to Duluth. 3/ Includes products. 4/ Aggregated data for corn, sorghum, oats, & barley. — = not available.

Information contact: James Cole (202) 219–0840.

Table 21.—Fats & Oils

	Marketing year *				1990				1991
	1985/86	1986/87	1987/88	1988/89	Sept	Oct	Nov	Dec	Jan–Mar
Soybeans									
Wholesale price, no. 1 yellow, Chicago ($/bu.)	5.20	5.03	6.67	7.41	6.19	6.09	5.72	5.78	5.70
Crushings (mil. bu.)	1,052.8	1,178.8	1,174.5	1,057.7	92.1	106.1	106.0	102.7	297.8
Exports (mil. bu.)	740.7	756.9	801.6	530.6	27.9	29.8	62.8	55.6	192.2
Stocks, beginning (mil. bu.)	316.0	536.4	436.4	302.5	45.2	34.5	130.1	130.7	106.5
Soybean oil									
Wholesale price, crude, Decatur (cts./lb.)	18.02	15.36	22.67	21.09	24.5	22.6	21.1	21.6	21.8
Production (mil. lb.)	11,617.3	12,783.1	12,974.5	11,737.0	1,038.1	1,188.1	1,168.0	1,138.0	3,329.3
Domestic disap. (mil. lb.)	10,045.9	10,820.2	10,734.1	10,455.6	795.1	1,211.3	956.6	982.1	2,849.7
Exports (mil. lb.)	1,257.3	1,184.5	1,873.2	1,658.2	298.9	85.4	107.2	12.1	21.1
Stocks, beginning (mil. lb.)	632.5	946.6	1,725.0	2,092.2	1,380.2	1,324.6	1,215.9	1,320.1	1,463.8
Soybean meal									
Wholesale price, 44% protein, Decatur ($/ton)	154.88	162.61	221.90	233.46	176.90	172.50	163.00	164.80	161.4
Production (1,000 ton)	24,951.3	27,758.8	28,060.2	24,942.7	2,187.3	2,508.5	2,513.2	2,431.5	7,097.3
Domestic disap. (1,000 ton)	19,117.2	20,387.4	21,275.9	19,792.5	1,855.8	2,246.9	1,989.9	1,870.3	5,469.0
Exports (1,000 ton)	6,009.3	7,343.0	6,871.0	5,130.8	245.3	289.2	500.7	418.7	1,556.4
Stocks, beginning (1,000 ton)	386.9	211.7	240.2	153.5	232.0	318.3	290.9	313.8	455.8
Margarine, wholesale price, Chicago, white (cts./lb.)	51.2	40.3	40.3	52.3	61.9	61.7	61.5	62.9	63.2

* Beginning September 1 for soybeans; October 1 for soymeal & oil; calendar year for margarine.

Note: Census data on which this table is based are now being reported quarterly.

Information contacts: Roger Hoskin (202) 219–0840, Tom Bickerton (202) 219–0824.

Table 22.—Farm Programs, Price Supports, Participation & Payment Rates

	Target price	Loan rate	Findley loan rate	Payment rates: Deficiency	Payment rates: Paid land diversion	Payment rates: PIK	Base acres 1/	Program 2/	Particip-ation rate 3/
			$/bu.			Percent 4/	Mil. acres		Percent of base
Wheat									
1985/86	4.38	3.30	—	1.08	2.70	—	94.0	20/10/0	73
1986/87 5/	4.38	3.00	2.40	1.98	2.00	1,10	91.6	22.5/2.5/5–10	85/85/21
1987/88	4.38	2.85	2.28	1.81	—	—	87.6	27.5/0/0	88
1988/89	4.23	2.76	2.21	0.69	—	—	84.8	27.5/0/0	86
1989/90	4.10	2.58	2.06	7/ 0.32	—	—	82.3	10/0/0	78
1990/91	4.00	2.44	1.95	1.00	—	—	80.5	* 5/0/0	83
1991/92	4.00	2.52	2.04	1.47	—	—	79.4	15/0/0	84
			$/cwt						
Rice									
1985/86	11.90	8.00	6/ 3.16	3.90	3.50	—	4.2	20/15/0	90
1986/87 5/	11.90	7.20	6/ 3.82	4.70	—	—	4.2	35/0/0	94
1987/88	11.66	6.84	6/ 5.77	4.62	—	—	4.1	35/0/0	96
1988/89	11.15	6.63	6/ 6.30	4.31	—	—	4.1	25/0/0	94
1989/90	10.80	6.50	6/ 6.50	3.56	—	—	4.1	25/0/0	95
1990/91	10.71	6.50	—	3.71	—	—	4.2	20/0/0	94
1991/92	10.71	6.50	—	3.76	—	—	4.2	5/0/0	91
			$/bu.						
Corn									
1985/86	3.03	2.55	—	0.48	—	—	84.2	10/0/0	69
1986/87 5/	3.03	2.40	1.92	1.11	—	—	81.7	17.5/2.5/0	86
1987/88	3.03	2.28	1.82	1.09	2.00	—	81.5	20/15/0	90
1988/89	2.93	2.21	1.77	7/ 0.36	1.75	—	82.9	20/10/0	87
1989/90	2.84	2.06	1.65	7/ 0.58	—	—	82.7	10/0/0	80
1990/91	2.75	1.96	1.57	0.15	—	—	82.7	10/0/0	77
1991/92	2.75	1.89	1.62	0.58	—	—	83.9	7.5/0/0	76
			$/bu.						
Sorghum									
1985/86	2.88	2.42	—	0.46	—	—	19.3	8/ (same)	55
1986/87 5/	2.88	2.28	1.82	1.06	0.85	—	19.0	—	75
1987/88	2.88	2.17	1.74	0.82	1.90	—	17.4	—	84
1988/89	2.78	2.10	1.65	0.48	1.65	—	16.8	—	82
1989/90	2.70	1.96	1.57	7/ 0.66	—	—	16.2	—	71
1990/91	2.61	1.86	1.49	0.21	—	—	15.4	—	70
1991/92	2.61	1.80	1.54	0.56	—	—	13.5	—	76
			$/bu.						
Barley									
1985/86	2.60	2.08	—	0.52	—	—	13.3	8/ (same)	57
1986/87 5/	2.60	1.95	1.56	0.99	0.57	—	12.4	—	72
1987/88	2.60	1.86	1.49	0.52	1.60	—	12.5	—	84
1988/89	2.51	1.80	1.44	1.04	1.40	—	12.5	—	79
1989/90	2.43	1.68	1.34	7/ 0.23	—	—	12.4	—	69
1990/91	2.36	1.60	1.28	0.26	—	—	11.9	—	68
1991/92	2.36	1.54	1.32	0.47	—	—	11.5	—	75
			$/bu.						
Oats									
1985/86	1.60	1.31	—	0.29	—	—	9.4	8/ (same)	14
1986/87 5/	1.60	1.23	0.99	0.39	0.36	—	9.2	—	37
1987/88	1.60	1.17	0.94	0.20	0.80	—	8.4	—	45
1988/89	1.55	1.13	0.90	0.30	—	—	7.9	5/0/0	30
1989/90	1.50	1.06	0.85	0.00	—	—	7.8	5/0/0	23
1990/91	1.45	1.01	0.81	0.00	—	—	7.5	5/0/0	09
1991/92	1.45	0.97	0.83	0.15	—	—	7.3	0/0/0	38
			$/bu.						
Soybeans 9/									
1985/86	—	5.02	—	—	—	—	—	—	—
1986/87 5/	—	4.77	—	—	—	—	—	—	—
1987/88	—	4.77	—	—	—	—	—	—	—
1988/89	—	4.77	—	—	—	—	—	—	—
1989/90	—	4.53	—	—	—	—	—	10/ 10/25	—
1990/91	—	4.50	—	—	—	—	—	10/ 0/25	—
1991/92	—	5.02	—	—	—	—	—	10/ 0/25	—
			Cts./lb.						
Upland cotton									
1985/86	81.0	57.30	—	23.70	30.00	—	15.9	20/10/0	82/0/0
1986/87 5/	81.0	55.00	11/ 44.00	26.00	—	—	15.5	25/0/0	93
1987/88	79.4	52.25	12/ —	17.3	—	—	14.5	25/0/0	93
1988/89	75.9	51.80	12/ —	19.4	—	—	14.5	12.5/0/0	89
1989/90	73.4	50.00	12/ —	13.1	—	—	14.6	25/0/0	69
1990/91	72.9	50.27	12/ —	6.3	—	—	14.5	12.5/0/0	86
1991/92	72.9	50.77	12/ —	10.0	—	—	14.8	5/0/0	84

1/ Includes planted area plus acres considered planted (ARP, PLD, 0–92 etc). Net of CRP. 2/ Percentage of base acres that farmers participating in Acreage Reduction Programs/Paid Land Diversion/PIK were required to devote to conserving uses to receive program benefits. 3/ Percentage of base acres enrolled in Acreage Reduction Programs/Paid Land Diversion/PIK. 4/ Percent of program yield, except 1986/87 wheat, which is dollars per bushel. 1984 PIK rates apply only to the 10–20 portion. 5/ Rates for payments received in cash were reduced by 4.3 percent in 1986/87 due to Gramm–Rudman–Hollings. 6/ Annual average world market price. 7/ Guaranteed to farmers signed up for 0/92. 8/ The sorghum, oats, & barley programs were the same as for corn in each year except 1988–90, when the oats ARP was lower than for the other feed grains. 9/ There are no target prices, acreage programs, or payment rates for soybeans. 10/ Soybean program data refer to percent of program crop base permitted to shift into beans without loss of base. 11/ Loan repayment rate. 12/ Loans may be repaid at the lower of the loan rate or world market prices. *On September 13, the Secretary announced that participating farmers have the option of planting up to 105 percent of their wheat base to boost 1990 supplies. For every acre planted in excess of 95 percent of base, the acreage used to compute deficiency payments will be cut by 1 acre. — = not available.

Information contact: James Cole (202) 219-0840.

Table 23.—Fruit

	1982	1983	1984	1985	1986	1987	1988	1989	1990 P
Citrus 1/									
Production (1,000 ton)	12,139	13,682	10,832	10,525	11,058	11,993	12,761	13,186	10,846
Per capita consumpt. (lbs.) 2/	24.7	29.4	24.0	22.6	26.0	25.7	27.1	24.4	—
Noncitrus 3/									
Production (1,000 tons)	14,658	14,168	14,301	14,191	13,674	16,011	15,303	15,764	14,976
Per capita consumpt. (lbs.) 2/	62.7	63.6	67.5	66.5	69.5	75.1	71.9	72.2	—

	1990				1991				
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
F.o.b. shipping point prices									
Apples ($/carton) 4/	11.95	12.16	13.00	13.08	14.06	14.00	14.00	14.00	14.00
Pears ($/box) 5/	—	—	12.56	13.00	14.00	13.85	13.48	13.74	15.12
Grower prices									
Oranges ($/box) 6/	5.31	4.48	6.31	6.18	6.62	5.98	7.41	7.37	7.95
Grapefruit ($/box) 6/	7.22	6.51	5.53	5.63	5.66	4.50	5.43	5.10	4.91
Stocks, ending									
Fresh apples (mil. lbs.)	3,005	4,590.0	4,003.7	3,378.3	2,694.8	2,100.7	1,569.8	1,060.9	689.9
Fresh pears (mil. lbs.)	578.0	449.6	322.6	266.2	191.1	145.4	95.0	50.8	14.7
Frozen fruits (mil. lbs.)	864.5	912.7	864.5	838.0	760.7	679.6	635.2	566.7	550.1
Frozen orange juice (mil. lbs.)	797.1	802.0	871.3	1,031.6	1,195.8	1,199.5	1,236.7	1,383.2	1,322.6

1/ 1990 indicated 1989/90 season. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Red delicious, Washington, extra fancy, carton tray pack, 125's. 5/ D'Anjou, Washington, standard box wrapped, U.S. no. 1, 135's. 6/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Wynnice Napper (202) 219-0884.

Table 24.—Vegetables

	Calendar year									
	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Production										
Total vegetables (1,000 cwt)	392,343	430,795	403,509	456,334	453,030	448,629	478,381	466,779	542,437	561,766
Fresh (1,000 cwt) 1/ 3/	183,456	193,451	185,782	201,817	203,549	203,165	220,539	228,397	239,281	239,114
Processed (tons) 2/ 3/	10,444,330	11,867,170	10,888,350	12,725,880	12,474,040	12,273,200	12,892,100	12,019,110	15,157,790	16,132,880
Mushrooms (1,000 lbs.)	517,146	490,826	561,531	595,681	587,956	614,393	631,819	667,759	716,010	—
Potatoes (1,000 cwt)	340,623	355,131	333,726	362,039	406,609	361,743	389,320	356,436	370,444	393,867
Sweetpotatoes (1,000 cwt)	12,799	14,833	12,083	12,902	14,573	12,366	11,611	10,945	11,358	13,020
Dry edible beans (1,000 cwt)	32,751	25,563	15,520	21,070	22,175	22,886	26,031	19,263	23,729	32,429

	1990					1991				
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Shipments										
Fresh (1,000 cwt) 4/	22,032	14,898	20,451	17,623	17,112	23,352	19,405	19,215	20,661	30,842
Potatoes (1,000 cwt)	10,029	8,959	11,947	11,405	10,434	14,681	11,322	12,337	14,497	15,695
Sweetpotatoes (1,000 cwt)	101	302	562	929	545	399	400	486	283	291

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Asparagus & cucumber estimates were not available for 1982 & 1983. 4/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, lettuce, onions, bell peppers, squash, tomatoes, cantaloupes, honeydews, & watermelons. — = not available.

Information contacts: Gary Lucier or Cathy Greene (202) 219-0884.

Table 25.—Other Commodities

	Annual					1990				1991
	1986	1987	1988	1989	1990	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar
Sugar										
Production 1/	6,257	7,309	7,087	6,840	6,319	1,676	572	652	3,419	2,206
Deliveries 1/	7,786	8,167	8,188	8,309	9,633	1,976	2,056	2,316	2,315	2,019
Stocks, ending 1/	3,225	3,195	3,132	2,946	2,642	3,112	2,165	1,210	2,729	3,530
Coffee										
Composite green price N.Y. (cts./lb.)	185.18	109.14	115.59	95.17	76.93	73.22	78.55	79.10	76.85	74.94
Imports, green bean equiv. (mil. lbs.) 2/	2,596	2,638	2,072	2,630	2,714	866	702	530	616	748

	Annual			1989	1990					
	1987	1988	1989	Nov	June	July	Aug	Sept	Oct	Nov
Tobacco										
Prices at auctions 3/										
Flue-cured ($/lb.)	1.59	1.61	—	1.60	—	—	—	1.73	1.72	1.65
Burley ($/lb.)	1.56	1.61	—	1.67	—	—	—	—	—	1.76
Domestic consumption 4/										
Cigarettes (bil.)	575.0	562.5	540.1	49.9	45.9	39.8	49.9	43.3	44.0	—
Large cigars (mil.)	2,728	2,531	2,467.6	201.3	221.6	164.4	210.8	195.5	191.1	—

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct.-Sept. for burley. 4/ Taxable removals. — = not available.

Information contacts: sugar, Peter Buzzanell (202) 219-0886; coffee, Fred Gray (202) 219-0888; tobacco, Verner Grise (202) 219-0890.

Table 26.—World Supply & Utilization of Major Crops, Livestock, & Products

	1985/86	1986/87	1987/88	1988/89	1989/90	1990/91 P	1991/92 F
				Million units			
Wheat							
Area (hectares)	229.6	228.2	220.0	218.0	225.5	231.1	224.4
Production (metric tons)	500.1	530.7	502.3	501.4	537.9	593.5	556.1
Exports (metric tons) 1/	85.0	90.7	104.9	97.2	96.5	93.8	98.5
Consumption (metric tons) 2/	496.2	522.5	530.3	532.0	534.6	570.3	558.3
Ending stocks (metric tons) 3/	168.2	176.4	148.4	117.9	120.9	144.1	141.9
Coarse grains							
Area (hectares)	341.3	336.5	324.5	326.1	321.0	318.8	
Production (metric tons)	843.1	831.9	794.8	733.2	799.5	825.2	828.0
Exports (metric tons) 1/	83.2	83.7	82.9	94.2	100.0	85.1	84.6
Consumption (metric tons) 2/	778.8	806.1	815.2	797.5	824.2	822.2	827.0
Ending stocks (metric tons) 3/	208.2	234.0	213.6	148.3	124.5	127.5	128.6
Rice, milled							
Area (hectares)	144.9	145.3	141.6	145.6	146.6	147.1	
Production (metric tons)	318.9	318.7	314.2	330.9	344.0	348.1	344.2
Exports (metric tons) 4/	12.6	12.9	11.9	15.1	12.0	12.7	12.9
Consumption (metric tons) 2/	319.4	322.7	320.0	328.6	337.5	346.4	345.5
Ending stocks (metric tons) 3/	55.4	51.4	45.6	47.9	54.5	56.2	54.9
Total grains							
Area (hectares)	715.8	710.0	686.1	689.7	693.1	697.0	
Production (metric tons)	1,662.1	1,681.3	1,611.3	1,565.5	1,681.1	1,766.8	1,728.3
Exports (metric tons) 1/	180.8	187.3	199.7	206.5	208.5	191.6	196.0
Consumption (metric tons) 2/	1,594.4	1,651.3	1,665.5	1,658.1	1,696.3	1,738.9	1,730.8
Ending stocks (metric tons) 3/	431.8	461.8	407.6	315.1	299.9	327.8	325.4
Oilseeds							
Crush (metric tons)	155.1	161.8	168.5	166.4	173.1	177.6	181.0
Production (metric tons)	196.2	194.9	210.6	204.2	214.0	217.7	233.8
Exports (metric tons)	34.5	37.7	39.5	32.0	36.1	33.7	35.0
Ending stocks (metric tons)	26.8	23.3	24.0	22.2	23.3	22.8	24.5
Meals							
Production (metric tons)	105.0	110.7	115.4	112.2	117.9	119.7	122.2
Exports (metric tons)	34.4	36.7	35.8	37.8	38.8	38.8	38.8
Oils							
Production (metric tons)	49.4	50.4	53.3	53.9	57.6	58.5	60.4
Exports (metric tons)	16.4	16.9	17.5	18.2	20.1	19.5	19.9
Cotton							
Area (hectares)	31.7	29.5	31.0	33.7	31.6	33.3	
Production (bales)	80.4	70.7	81.0	84.7	80.0	86.6	90.3
Exports (bales)	20.3	26.0	23.2	25.9	24.0	23.2	23.5
Consumption (bales)	76.9	82.8	84.1	85.3	87.0	86.1	87.7
Ending stocks (bales)	48.5	35.9	32.8	32.0	26.0	26.7	28.9

	1985	1986	1987	1988	1989	1990 P	1991 F
Red meat							
Production (metric tons)	105.5	108.6	111.5	115.2	116.9	118.3	119.7
Consumption (metric tons)	103.4	107.4	109.7	113.4	115.2	116.8	118.2
Exports (metric tons) 1/	6.3	6.7	6.7	6.9	7.4	6.9	7.2
Poultry 5/							
Production (metric tons)	26.2	29.3	31.3	32.9	34.2	35.7	37.2
Consumption (metric tons)	25.8	28.9	30.8	32.5	33.8	35.1	36.6
Exports (metric tons) 1/	1.2	1.2	1.5	1.7	1.8	2.1	2.2
Dairy							
Milk production (metric tons)	413.4	425.9	425.9	429.1	435.0	440.9	442.3

1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1986 data correspond with 1985/86, etc. 5/ Poultry excludes the Peoples Republic of China before 1986.
P = preliminary. F = forecast.

Information contacts: Crops, Carol Whitton (202) 219-0824; red meat & poultry, Linda Bailey (202) 219-1285; dairy, Sara Short (202) 219-0770.

U.S. Agricultural Trade

Table 27.—Prices of Principal U.S. Agricultural Trade Products

	Annual			1990		1991				
	1988	1989	1990	May	Dec	Jan	Feb	Mar	Apr	May
Export commodities										
Wheat, f.o.b. vessel, Gulf ports ($/bu.)	3.97	4.65	3.72	4.10	3.10	3.05	3.13	3.28	3.31	3.35
Corn, f.o.b. vessel, Gulf ports ($/bu.)	2.73	2.85	2.79	3.09	2.63	2.71	2.74	2.79	2.81	2.70
Grain sorghum, f.o.b. vessel, Gulf ports ($/bu.)	2.52	2.70	2.65	2.84	2.60	2.68	2.72	2.80	2.79	2.62
Soybeans, f.o.b. vessel, Gulf ports ($/bu.)	7.81	7.06	6.24	6.40	6.13	6.03	6.08	6.14	6.20	6.09
Soybean oil, Decatur (cts./lb.)	23.52	20.21	22.75	24.49	21.26	21.42	21.48	22.20	21.46	20.29
Soybean meal, Decatur ($/ton)	234.75	216.59	189.37	176.98	184.79	156.36	164.01	165.70	171.32	171.14
Cotton, 8-market avg. spot (cts./lb.)	57.25	63.78	71.25	74.61	69.92	70.51	77.69	77.92	79.93	83.94
Tobacco, avg. price at auction (cts./lb.)	147.82	161.74	166.06	164.68	170.09	171.81	171.70	170.89	171.12	171.12
Rice, f.o.b. mill, Houston ($/cwt)	19.60	15.68	15.52	16.25	14.50	14.50	16.00	16.00	16.00	16.00
Inedible tallow, Chicago (cts./lb.)	16.64	14.71	13.54	13.51	14.25	14.43	12.91	13.63	13.57	12.25
Import commodities										
Coffee, N.Y. spot ($/lb.)	1.21	1.04	0.81	0.84	0.82	0.82	0.80	0.82	0.80	0.76
Rubber, N.Y. spot (cts./lb.)	59.20	50.65	46.28	45.80	47.03	47.47	48.92	49.09	45.92	45.16
Cocoa beans, N.Y. ($/lb.)	0.69	0.55	0.55	0.63	0.56	0.55	0.53	0.53	0.50	0.47

Information contact: Mary Teymourian (202) 219-0824.

Table 28.—Indexes of Real Trade-Weighted Dollar Exchange Rates[1]

	1990					1991					
	Aug	Sept	Oct	Nov	Dec	Jan P	Feb P	Mar P	Apr P	May P	June P
	1985 = 100										
Total U.S. trade 2/	63.4	63.1	61.1	60.1	60.8	61.0	59.8	63.5	66.4	66.8	66.0
Agricultural trade											
U.S. markets	79.2	78.6	76.7	75.8	76.4	76.6	75.6	77.5	79.1	79.3	79.8
U.S. competitors	76.2	75.3	75.2	74.0	74.2	75.8	74.7	76.0	77.1	77.3	77.8
Wheat											
U.S. markets	96.4	96.3	95.7	94.9	96.3	97.4	96.2	97.1	98.1	98.5	99.0
U.S. competitors	72.3	70.8	69.6	68.6	68.0	69.2	68.7	70.3	71.1	71.1	71.4
Soybeans											
U.S. markets	67.1	66.3	64.3	63.3	64.0	64.2	63.0	65.7	66.4	66.9	66.8
U.S. competitors	63.7	58.2	57.9	54.0	53.1	59.0	57.7	56.9	56.9	57.0	57.0
Corn											
U.S. markets	73.9	72.3	70.1	69.4	70.3	70.3	69.0	71.3	72.2	72.5	72.9
U.S. competitors	69.6	65.2	61.9	59.8	57.5	61.7	61.2	63.7	65.3	65.6	66.5
Cotton											
U.S. markets	75.9	74.9	73.1	72.5	73.5	73.6	72.7	74.6	75.5	75.7	76.2
U.S. competitors	89.4	89.2	88.0	85.9	85.1	84.8	83.1	82.1	82.2	81.8	81.0

1/ Real indexes adjust nominal exchange rates for differences in rates of inflation, to avoid the distortion caused by high-inflation countries. A higher value means the dollar has appreciated. See the October 1988 issue of Agricultural Outlook for a discussion of the calculations and the weights used. 2/ Federal Reserve Board index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance in world financial markets. P = preliminary.

Information contact: Tim Baxter, David Stallings (202) 219-0718.

Table 29.—Trade Balance

	Fiscal year 1/								Apr
	1984	1985	1986	1987	1988	1989	1990	1991 F	1991
	$ million								
Exports									
Agricultural	38,027	31,201	26,312	27,875	35,316	39,637	40,182	37,000	3,146
Nonagricultural	170,014	179,236	179,291	202,911	258,656	301,222	325,928	—	31,210
Total 2/	208,041	210,437	205,603	230,787	293,972	340,859	366,110	—	34,356
Imports									
Agricultural	18,916	19,740	20,884	20,850	21,014	21,477	22,514	22,500	2,074
Nonagricultural	297,736	313,722	342,846	367,374	409,138	441,074	458,147	—	37,248
Total 3/	316,652	333,462	363,730	388,024	430,152	462,551	480,661	—	39,322
Trade balance									
Agricultural	19,111	11,461	5,428	7,226	14,302	18,160	17,668	14,500	1,072
Nonagricultural	-127,722	-134,486	-163,555	-164,463	-150,482	-139,852	-132,219	—	-6,038
Total	-108,611	-123,025	-158,127	-157,237	-136,180	-121,692	-114,551	—	-4,966

1/ Fiscal years begin October 1 & end September 30. Fiscal year 1990 began Oct. 1, 1989 & ended Sept. 30, 1990. 2/ Domestic exports including Department of Defense shipments (F.A.S. value). 3/ Imports for consumption (customs value). F = forecast. — = not available.

Information contact: Stephen MacDonald (202) 219-0822.

Table 30.—U.S. Agricultural Exports & Imports

	Fiscal year*			Apr	Fiscal year*			Apr
	1989	1990	1991 F	1991	1989	1990	1991 F	1991
			1,000 units				$ million	
EXPORTS								
Animals, live (no.) 1/	758	685	—	112	475	361	—	26
Meats & preps., excl. poultry (mt)	869	876	2/ 700	73	2,355	2,457	—	215
Dairy products (mt) 1/	192	92	—	3	475	348	400	26
Poultry meats (mt)	428	567	600	49	519	631	—	60
Fats, oils, & greases (mt)	1,377	1,264	1,100	127	531	459	—	45
Hides & skins incl. furskins	—	—	—	—	1,713	1,796	—	122
Cattle hides, whole (no.) 1/	26,260	24,777	—	1,470	1,360	1,365	—	84
Mink pelts (no.) 1/	3,073	5,128	—	992	91	116	—	19
Grains & feeds (mt)	114,692	112,987	—	8,091	16,829	15,694	3/ 12,400	1,039
Wheat (mt)	37,841	27,999	27,500	2,409	6,004	4,209	4/ 3,100	242
Wheat flour (mt)	1,176	882	1,000	73	255	203	—	14
Rice (mt)	3,041	2,501	2,400	166	955	829	800	51
Feed grains, incl. products (mt)	60,958	69,510	52,000	4,471	7,374	8,093	5,700	511
Feeds & fodders (mt)	11,086	11,125	5/ 11,100	895	1,849	1,826	—	165
Other grain products (mt)	790	970	—	77	514	665	—	56
Fruits, nuts, & preps. (mt)	2,555	2,873	—	198	2,394	2,789	—	204
Fruit juices incl. froz. (1,000 hectoliters) 1/	4,997	5,975	—	610	264	328	—	33
Vegetables & preps. (mt)	1,665	2,243	—	232	1,542	2,079	—	237
Tobacco, unmanufactured (mt)	212	220	200	22	1,274	1,373	1,400	150
Cotton, excl. linters (mt)	1,441	1,666	1,800	154	2,040	2,704	3,000	255
Seeds (mt)	511	576	—	37	507	576	600	44
Sugar, cane or beet (mt)	368	447	—	52	134	187	—	19
Oilseeds & products (mt)	21,052	23,772	—	1,687	6,629	6,098	5,500	439
Oilseeds (mt)	14,592	17,703	—	1,179	4,363	4,246	—	289
Soybeans (mt)	14,093	17,217	14,700	1,150	4,085	3,939	3,400	263
Protein meal (mt)	4,963	4,767	—	410	1,358	1,022	—	80
Vegetable oils (mt)	1,498	1,302	—	99	908	830	—	70
Essential oils (mt)	13	14	—	1	171	182	—	17
Other	106	89	—	9	1,802	2,120	—	214
Total	145,481	147,686	129,000	10,735	39,637	40,182	37,000	3,146
IMPORTS								
Animals, live (no.) 1/	2,485	2,940	—	330	740	1,053	1,100	121
Meats & preps., excl. poultry (mt)	1,091	1,142	—	99	2,432	2,848	—	250
Beef & veal (mt)	668	754	750	66	1,525	1,842	1,800	164
Pork (mt)	373	340	370	28	778	888	1,000	74
Dairy products (mt) 1/	211	254	—	16	834	951	900	57
Poultry & products 1/	—	—	—	—	130	129	—	9
Fats, oils, & greases (mt)	14	19	—	3	14	15	—	2
Hides & skins, incl. furskins 1/	—	—	—	—	241	135	—	13
Wool, unmanufactured (mt)	62	47	—	3	319	197	—	11
Grains & feeds (mt)	3,467	3,471	3,500	345	1,139	1,181	1,200	102
Fruits, nuts, & preps., excl. juices (mt)	5,036	5,331	5,300	635	2,269	2,486	—	292
Bananas & plantains (mt)	3,039	3,236	3,200	297	851	926	1,000	86
Fruit juices (1,000 hectoliters) 1/	27,747	33,922	30,000	2,130	792	1,001	—	55
Vegetables & preps. (mt)	2,217	2,242	—	265	1,959	2,264	2,100	232
Tobacco, unmanufactured (mt)	169	193	180	20	521	588	600	61
Cotton, unmanufactured (mt)	13	30	—	4	8	20	—	2
Seeds (mt)	158	171	170	32	187	164	200	22
Nursery stock & cut flowers 1/	—	—	—	—	466	519	—	42
Sugar, cane or beet (mt)	1,657	1,769	—	133	620	734	—	51
Oilseeds & products (mt)	1,917	2,034	—	172	946	964	1,000	79
Oilseeds (mt)	424	534	—	32	159	206	—	11
Protein meal (mt)	359	310	—	40	65	48	—	6
Vegetable oils (mt)	1,133	1,189	—	101	721	710	—	63
Beverages excl. fruit juices (1,000 hectoliters) 1/	13,967	13,543	—	972	1,815	1,867	—	139
Coffee, tea, cocoa, spices	1,867	2,202	3,200	203	3,896	3,465	—	334
Coffee, incl. products (mt)	1,084	1,290	1,200	107	2,467	1,997	2,000	186
Cocoa beans & products (mt)	564	698	650	74	969	1,042	1,000	105
Rubber & allied gums (mt)	927	840	850	93	1,051	712	700	79
Other	—	—	—	—	1,097	1,229	—	121
Total	—	—	—	—	21,477	22,514	22,500	2,074

*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1990 began Oct. 1, 1989 & ended Sept 30, 1990. 1/ Not included in total volume and also other dairy products for 1989 & 1990. 2/ Forecasts for footnoted items 2/–6/ are based on slightly different groups of commodities. Fiscal 1990 exports of categories used in the 1991 forecasts were 2/ 676,000 m . tons. 3/ 18,014 million. 4/ 4,426 million i.e. includes flour. 5/ 11,065 million m. tons. F = forecast — = not available.

Information contact: Stephen MacDonald (202) 219–0822.

Table 31.—U.S. Agricultural Exports by Region

Region & country	Fiscal year* 1989	1990	1991 F	Apr 1991	Change from year* earlier 1989	1990	1991 F	Apr 1991
	$ million				Percent			
WESTERN EUROPE	7,074	7,331	7,000	565	-12	4	-4	-5
European Community (EC-12)	6,565	6,838	6,500	520	-12	4	-4	-6
Belgium-Luxembourg	431	431	—	20	1	0	—	-21
France	474	469	—	40	-16	-1	—	16
Germany, Fed. Rep.	918	1,096	—	65	-28	19	—	-19
Italy	609	704	—	58	-15	16	—	-22
Netherlands	1,847	1,837	—	153	-12	-11	—	14
United Kingdom	736	761	—	62	-10	3	—	-3
Portugal	307	338	—	15	-10	10	—	-41
Spain, incl. Canary Islands	876	991	—	81	3	13	—	-21
Other Western Europe	510	493	400	45	-2	-3	0	36
Switzerland	166	171	—	22	-14	3	—	55
EASTERN EUROPE	422	533	500	18	-24	26	-20	-65
German Dem. Rep.	72	58	—	0	8	-20	—	-100
Poland	45	101	—	6	-73	127	—	-23
Yugoslavia	76	129	—	1	-26	69	—	-70
Romania	62	210	—	9	-33	239	—	-58
USSR	3,299	3,989	1,600	199	70	-9	-47	-45
ASIA	18,677	18,131	16,700	1,323	17	-3	-8	-7
West Asia (Mideast)	2,273	1,995	2,000	91	19	-12	0	-46
Turkey	238	259	—	16	97	9	—	-27
Iraq	791	497	0	0	8	-37	-100	-100
Israel, incl. Gaza & W. Bank	331	285	—	19	-1	-14	—	-46
Saudi Arabia	482	502	600	23	4	4	20	-22
South Asia	1,161	729	—	39	44	-37	—	22
Bangladesh	213	125	—	9	98	-41	—	48
India	243	115	—	10	-31	-53	—	1
Pakistan	599	391	100	10	117	-35	-75	1,643
China	1,496	909	600	42	144	-39	-33	-16
Japan	8,148	8,106	7,800	675	12	-1	-4	-4
Southeast Asia	976	1,184	—	99	-4	21	—	1
Indonesia	216	277	—	26	-9	28	—	-3
Philippines	344	351	400	23	0	2	0	-2
Other East Asia	4,623	5,207	4,700	378	7	13	-10	-1
Taiwan	1,594	1,818	1,600	135	1	14	-11	1
Korea, Rep.	2,453	2,703	2,300	175	9	10	-15	-10
Hong Kong	575	685	800	67	18	19	14	27
AFRICA	2,280	2,009	1,800	121	0	-12	-10	-34
North Africa	1,796	1,524	1,400	85	8	-15	-7	-43
Morocco	216	166	—	11	12	-23	—	-26
Algeria	549	488	500	37	2	-11	0	-31
Egypt	955	761	800	34	21	-20	0	-39
Sub-Sahara	483	484	400	36	-21	0	0	3
Nigeria	30	32	—	6	-31	7	—	33
Rep. S. Africa	57	81	—	3	-34	43	—	-66
LATIN AMERICA & CARIBBEAN	5,437	5,156	5,000	499	24	-5	-2	45
Brazil	149	105	200	7	-15	-30	100	137
Caribbean Islands	1,007	1,006	—	81	16	0	—	-1
Central America	448	464	—	44	8	4	—	45
Colombia	139	147	—	13	-22	6	—	-17
Mexico	2,755	2,666	2,400	286	60	-3	-11	65
Peru	81	187	—	13	-54	132	—	246
Venezuela	587	345	400	29	-2	-41	33	17
CANADA	2,179	3,716	4,300	396	10	71	16	10
OCEANIA	268	317	300	24	13	18	0	37
TOTAL	39,637	40,182	37,000	3,146	12	1	-8	-6
Developed countries	17,997	19,780	19,800	1,676	1	10	0	-2
Less developed countries	16,423	15,970	14,500	1,210	14	-3	-9	4
Centrally planned countries	5,217	4,431	2,700	260	68	-15	-39	-44

*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1990 began Oct. 1, 1989 & ended Sept. 30, 1990. F = forecast. — = not available.
Note: Adjusted for transshipments through Canada.

Information contact: Stephen MacDonald (202) 219-0822.

Farm Income

Table 32.—Farm Income Statistics

	Calendar year										
	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 F	1991 F
	$ billion										
1. Farm receipts	144.1	147.2	141.3	147.1	149.4	140.2	147.5	155.9	166.5	174	170 to 176
Crops (incl. net CCC loans)	72.5	72.3	67.2	69.9	74.3	63.7	65.6	71.4	75.4	78	76 to 80
Livestock	69.2	70.3	69.6	72.9	69.8	71.5	76.0	78.8	83.7	89	86 to 90
Farm related 1/	2.5	4.6	4.5	4.3	5.3	5.0	5.9	5.7	7.4	6	6 to 7
2. Direct Government payments	1.9	3.5	9.3	8.4	7.7	11.8	16.7	14.5	10.9	9	8 to 9
Cash payments	1.9	3.5	4.1	4.0	7.6	8.1	6.6	7.1	9.1	8	7 to 8
Value of PIK commodities	0.0	0.0	5.2	4.5	0.1	3.7	10.1	7.4	1.7	1	0 to 1
3. Total gross farm income (4+5+6) 2/	166.3	163.5	153.2	170.2	162.9	156.5	169.0	173.8	189.2	193	186 to 193
4. Gross cash income (1+2)	146.0	150.6	150.6	155.5	157.2	152.0	164.3	170.4	177.5	183	179 to 184
5. Nonmoney income 3/	13.8	14.3	13.5	8.7	8.0	6.9	7.5	7.5	7.3	8	7 to 9
6. Value of inventory change	6.5	−1.4	−10.9	6.0	−2.3	−2.4	−2.8	−4.1	4.4	3	0 to 3
7. Cash expenses 4/	113.2	112.8	111.0	118.0	109.3	105.2	108.2	112.3	122.8	125	124 to 129
8. Total expenses	139.4	140.0	137.9	143.8	131.9	125.6	127.7	132.1	142.6	148	145 to 150
9. Net cash income (4−7)	32.8	37.9	39.5	36.6	47.9	46.7	56.1	58.1	54.8	58	52 to 57
10. Net farm income (3−8)	26.9	23.5	15.3	26.3	31.0	31.0	41.3	41.8	46.7	47	40 to 45
Deflated (1982$)	28.8	23.5	14.7	24.5	27.9	27.3	35.2	34.4	36.9	36	30 to 33
11. Off-farm income	35.8	36.4	37.0	39.2	55.2	54.5	56.9	57.7	57.5	—	—
12. Loan changes 5/: Real estate	9.0	3.8	2.3	−2.0	−6.4	−8.7	−7.7	−4.1	−2.1	—	—
13. 5/: Non-real estate	6.5	3.4	0.9	−0.8	−9.6	−11.0	−4.6	−0.3	0.1	—	—
14. Rental income plus monetary change	8.4	8.4	5.4	9.2	9.1	8.0	8.8	7.5	8.2	—	—
15. Capital expenditures 5/	16.8	13.3	12.7	12.5	9.2	8.5	11.1	11.1	13.0	—	—
16. Net cash flow (9+12+13+14−15)	37.8	38.2	35.3	30.4	31.9	28.6	39.5	50.2	48.0	—	—

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisities to hired labor, & farm household expenses. 5/ Excludes farm households. Total may not add because of rounding. F = forecast. — = not available.

Information contact: Diane Bertelsen (202) 219-0809.

Table 33.—Balance Sheet of the U.S. Farming Sector

	Calendar year 1/										
	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 F	1991 F
	$ billion										
Assets											
Real estate	785.6	750.0	753.3	661.7	586.1	542.2	578.6	599.4	605.1	618	620 to 630
Non-real estate	196.8	195.6	191.9	196.9	187.4	182.1	195.3	203.6	212.0	220	218 to 228
Livestock & poultry	53.5	53.0	49.5	49.5	46.3	47.8	58.0	62.2	66.2	71	70 to 74
Machinery & motor vehicles	87.0	87.5	87.4	86.0	83.8	81.9	79.4	80.6	83.8	86	85 to 89
Crops stored 2/	29.0	26.1	24.0	26.2	22.9	16.0	19.5	21.9	22.6	23	21 to 24
Purchased inputs	—	—	—	2.6	1.3	2.0	3.3	3.4	2.8	3	2 to 4
Financial assets	27.3	29.0	30.9	32.6	33.1	34.4	35.1	35.5	36.6	37	36 to 40
Total farm assets	982.4	945.6	945.2	858.6	773.5	724.3	773.9	803.0	817.1	838	845 to 855
Liabilities											
Real estate debt 3/	98.7	101.8	103.2	106.7	100.1	90.4	82.4	77.6	75.3	74	73 to 77
Non-real estate debt 4/	83.6	87.0	87.9	87.1	77.5	66.6	62.0	61.7	61.8	65	63 to 67
Total farm debt	182.3	188.8	191.1	193.8	177.6	157.0	144.4	139.4	137.1	139	137 to 143
Total farm equity	800.0	750.0	754.1	664.8	595.9	567.3	629.5	663.6	680.0	699	705 to 715
	Percent										
Selected ratios											
Debt-to-assets	18.6	20.0	20.2	22.6	23.0	21.7	18.7	17.4	16.8	17	16 to 17
Debt-to-equity	22.8	24.9	25.3	29.2	29.8	27.7	22.9	21.0	20.2	20	19 to 21
Debt-to-net cash income	556	498	424	530	371	336	257	240	251	240	240 to 260

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. F = forecast.

Information contacts: Ken Erickson or Jim Ryan (202) 219-0798.

Table 34.—Cash Receipts From Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1989	1990	Mar 1991	Apr 1991	1989	1990	Mar 1991	Apr 1991	1989	1990	Mar 1991	Apr 1991
						$ million 2/						
NORTH ATLANTIC												
Maine	215	214	20	18	233	226	24	26	447	439	44	44
New Hampshire	63	63	6	6	79	78	7	8	142	141	13	14
Vermont	375	391	30	30	51	52	6	9	426	443	36	39
Massachusetts	112	112	10	10	317	297	17	22	429	409	28	32
Rhode Island	13	13	1	1	66	66	5	6	79	79	6	7
Connecticut	186	190	18	15	218	237	19	24	404	426	37	38
New York	1,946	2,005	149	146	911	941	74	83	2,857	2,945	223	229
New Jersey	197	200	17	16	463	478	29	40	660	678	46	56
Pennsylvania	2,595	2,707	212	210	986	1,076	85	85	3,581	3,783	296	294
NORTH CENTRAL												
Ohio	1,698	1,872	142	134	2,114	2,251	164	155	3,812	4,123	306	289
Indiana	1,817	2,048	169	150	2,502	2,848	179	164	4,318	4,896	348	315
Illinois	2,252	2,568	198	197	4,458	5,324	468	434	6,710	7,892	666	631
Michigan	1,313	1,432	116	104	1,627	1,713	131	117	2,940	3,145	247	221
Wisconsin	4,337	4,576	349	348	941	1,047	48	48	5,278	5,622	397	396
Minnesota	3,716	4,082	296	283	2,809	3,174	187	201	6,526	7,256	483	485
Iowa	5,209	6,048	429	422	3,911	4,469	388	348	9,119	10,516	817	770
Missouri	2,168	2,401	172	174	1,732	1,635	116	97	3,900	4,037	288	271
North Dakota	642	685	71	65	1,465	1,775	101	95	2,108	2,459	173	161
South Dakota	2,108	2,352	180	145	884	1,046	60	51	2,992	3,399	240	196
Nebraska	5,643	6,042	426	429	2,878	2,823	211	216	8,521	8,864	638	645
Kansas	4,245	4,508	533	433	2,079	2,182	123	104	6,324	6,690	656	537
SOUTHERN												
Delaware	503	462	35	39	160	183	8	10	663	645	43	49
Maryland	870	857	67	67	476	503	32	56	1,346	1,360	99	123
Virginia	1,372	1,434	113	115	685	718	31	28	2,058	2,152	143	144
West Virginia	250	249	21	23	64	65	5	4	314	314	27	28
North Carolina	2,505	2,550	220	211	2,046	2,164	66	71	4,551	4,714	285	282
South Carolina	551	567	48	48	675	584	21	22	1,225	1,150	69	70
Georgia	2,270	2,200	181	164	1,598	1,568	60	74	3,869	3,768	250	238
Florida	1,221	1,289	101	92	4,982	4,240	626	870	6,203	5,529	727	962
Kentucky	1,670	1,774	98	93	1,258	1,414	55	33	2,928	3,188	153	126
Tennessee	1,060	1,164	90	83	861	908	42	41	1,921	2,072	131	124
Alabama	1,932	1,940	174	161	696	667	36	37	2,628	2,607	210	198
Mississippi	1,292	1,288	109	100	1,000	1,099	53	56	2,292	2,387	162	156
Arkansas	2,661	2,537	216	217	1,470	1,543	68	42	4,131	4,080	285	258
Louisiana	614	636	45	49	1,048	1,266	45	40	1,661	1,902	91	88
Oklahoma	2,409	2,604	184	126	1,185	1,135	48	68	3,594	3,739	232	194
Texas	6,863	7,494	779	682	3,897	4,016	229	213	10,760	11,510	1,008	895
WESTERN												
Montana	898	915	84	65	710	749	44	55	1,610	1,664	128	120
Idaho	1,046	1,107	98	92	1,670	1,703	83	98	2,715	2,810	180	190
Wyoming	669	719	40	31	186	159	6	7	856	879	47	38
Colorado	2,649	2,803	248	217	1,250	1,176	73	64	3,899	3,979	321	281
New Mexico	974	1,050	78	64	450	450	17	18	1,424	1,500	95	82
Arizona	744	782	72	58	1,158	1,004	129	58	1,902	1,785	201	117
Utah	574	603	54	50	174	168	11	17	748	771	66	67
Nevada	141	141	19	19	94	100	11	9	235	241	30	28
Washington	1,201	1,306	106	106	2,438	2,447	195	209	3,639	3,752	301	315
Oregon	739	779	63	59	1,558	1,532	84	89	2,297	2,311	148	147
California	5,093	5,301	483	414	12,422	11,729	977	1,062	17,515	17,030	1,460	1,476
Alaska	9	9	1	1	20	20	1	1	29	29	2	2
Hawaii	92	92	8	7	495	491	42	40	587	583	49	48
UNITED STATES	63,724	69,161	7,390	6,790	75,449	77,535	5,535	5,725	159,173	166,696	12,925	12,515

1/ Sales of farm products include receipts from commodities placed under CCC loans minus value of redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219-0806.

Table 35.—Cash Receipts From Farming

	Annual						1990		1991			
	1985	1986	1987	1988	1989	1990	Apr	Dec	Jan	Feb	Mar	Apr
						$ million						
Farm marketings & CCC loans*	144,114	135,197	141,653	150,192	159,173	166,696	12,139	14,841	15,643	11,200	12,925	12,515
Livestock & products	69,822	71,539	76,010	78,821	83,724	89,161	6,954	7,608	7,524	6,674	7,390	6,790
Meat animals	38,550	39,081	44,478	45,884	46,691	51,693	3,896	4,698	4,691	4,106	4,422	4,003
Dairy products	18,055	17,724	17,727	17,641	19,401	20,156	1,666	1,519	1,459	1,347	1,492	1,481
Poultry & eggs	11,209	12,701	11,517	12,867	15,346	14,960	1,235	1,240	1,179	1,060	1,299	1,138
Other	2,008	2,034	2,288	2,429	2,386	2,352	158	151	195	161	177	168
Crops	74,293	63,658	65,643	71,372	75,449	77,535	5,185	7,233	8,119	4,526	5,535	5,725
Food grains	8,990	5,741	5,760	7,464	8,073	7,956	321	482	735	252	302	291
Feed crops	22,591	16,912	14,543	14,305	16,656	18,991	1,343	1,796	2,461	1,178	1,356	1,308
Cotton (lint & seed)	3,687	3,371	4,189	4,546	4,740	5,067	183	993	758	377	252	204
Tobacco	2,699	1,921	1,826	1,960	2,381	2,701	18	318	421	41	1	18
Oil-bearing crops	12,475	10,514	11,264	13,537	12,172	12,432	668	1,074	1,465	743	847	852
Vegetables & melons	8,572	8,849	9,889	9,754	11,340	11,176	1,047	493	766	599	1,071	1,276
Fruits & tree nuts	6,946	7,248	8,058	9,139	9,020	7,978	384	828	767	620	718	724
Other	8,333	9,002	10,064	10,665	11,068	11,223	1,222	1,250	727	717	987	1,252
Government payments	7,704	11,813	16,747	14,480	10,887	9,298	1,246	1,864	53	495	1,745	1,237
Total	151,818	147,010	158,400	164,672	170,060	175,994	13,385	16,705	15,696	11,695	14,670	13,752

*Receipts from loans represent value of commodities placed under CCC loans minus value of redemptions during the month.

Information contact: Roger Strickland (202) 219-0808.

Table 36.—Farm Production Expenses

	Calendar year										
	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 F	1991 F
						$ million					
Feed	20,855	18,592	20,371	20,239	17,247	17,875	17,958	20,620	22,722	22,000	21,000 to 23,000
Livestock	8,999	9,684	8,818	9,486	9,184	9,758	11,842	12,812	12,983	14,000	13,000 to 15,000
Seed	3,428	3,172	2,690	3,386	3,128	3,188	3,259	3,268	3,733	4,000	3,000 to 5,000
Farm-origin inputs	33,282	31,447	31,879	33,112	29,559	30,821	33,059	36,700	39,438	40,000	38,000 to 42,000
Fertilizer	9,409	8,018	6,959	8,674	7,506	6,813	6,453	6,775	7,554	7,000	6,000 to 8,000
Fuels & oils	8,570	7,734	7,211	7,296	6,436	5,310	4,957	4,921	5,321	6,000	5,000 to 7,000
Electricity	1,747	2,041	1,982	2,060	1,878	1,795	2,156	2,231	2,100	2,000	2,000 to 3,000
Pesticides	4,201	4,282	3,870	4,668	4,334	4,324	4,512	4,443	5,721	6,000	5,000 to 7,000
Manufactured inputs	23,927	22,076	20,022	22,618	20,153	18,242	18,077	18,370	20,697	21,000	20,000 to 23,000
Short-term interest	10,722	11,349	10,616	10,396	8,735	7,920	7,305	7,287	7,480	8,000	7,000 to 9,000
Real estate interest 1/	9,142	10,481	10,815	10,733	9,878	9,131	8,187	7,885	7,643	7,000	6,000 to 8,000
Total interest charges	19,864	21,830	21,430	21,129	18,613	17,052	15,492	15,172	15,123	15,000	14,000 to 16,000
Repair & maintenance 1/ 2/	7,021	6,428	6,529	6,730	6,556	6,485	6,828	6,889	7,794	8,000	8,000 to 9,000
Contract & hired labor	8,931	10,075	9,725	9,729	9,799	9,890	10,821	11,202	11,887	12,000	11,000 to 13,000
Machine hire & custom work	1,984	2,025	2,213	2,566	2,354	2,099	2,105	2,271	2,739	3,000	2,000 to 4,000
Marketing, storage, & transportation	3,523	4,301	3,904	4,012	4,127	3,652	3,988	3,281	4,214	5,000	4,000 to 6,000
Misc. operating expenses 1/	6,909	7,262	9,089	9,136	8,198	8,054	8,902	9,357	9,857	10,000	10,000 to 12,000
Other operating expenses	28,369	30,089	31,461	32,173	31,034	30,180	32,644	33,000	36,491	38,000	37,000 to 41,000
Capital consumption 1/	23,573	24,267	23,873	21,623	19,648	17,709	16,475	16,716	17,310	18,000	17,000 to 20,000
Taxes 1/	4,246	4,050	4,123	4,166	4,484	4,549	4,982	5,090	5,328	6,000	5,000 to 6,000
Net rent to noncperator landlord	6,184	6,174	5,110	8,978	8,435	6,951	6,964	7,014	8,181	8,000	8,000 to 9,000
Other overhead expenses	34,003	34,511	33,106	34,787	32,567	29,209	28,420	28,820	30,819	32,000	31,000 to 34,000
Total production expenses	139,444	139,954	137,897	143,819	131,926	125,503	127,693	132,063	142,566	146,000	145,000 to 150,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases & dairy assessments. Totals may not add because of rounding. F = forecast.

Information contacts: Chris McGath (202) 219-0804, Diane Bertelsen (202) 219-0809.

Table 37.—CCC Net Outlays by Commodity & Function

COMMODITY/PROGRAM	Fiscal year 1983	1984	1985	1986	1987	1988	1989	1990	1991 E	1992 E
						$ million				
Feed grains										
Corn	5,720	-934	4,403	10,524	12,346	8,227	2,863	2,450	2,364	2,665
Grain sorghum	814	76	463	1,185	1,203	764	467	361	298	262
Barley	268	89	336	471	394	57	45	-93	53	125
Oats	11	5	2	26	17	-2	1	-5	14	16
Corn & oat products	2	6	7	5	7	7	8	8	5	5
Total feed grains	6,815	-758	5,211	12,211	13,967	9,053	3,384	2,721	2,737	3,073
Wheat	3,419	2,536	4,691	3,440	2,836	678	53	806	2,647	2,519
Rice	664	333	990	947	906	128	631	667	818	775
Upland cotton	1,363	244	1,553	2,142	1,786	666	1,461	-79	389	823
Tobacco	880	346	455	253	-346	-453	-367	-307	-217	-85
Dairy	2,528	1,502	2,085	2,337	1,166	1,295	679	505	665	392
Soybeans	288	-585	711	1,597	-476	-1,676	-86	5	22	-21
Peanuts	-6	1	12	32	8	7	13	1	3	-3
Sugar	49	10	184	214	-65	-246	-25	15	0	-26
Honey	48	90	81	89	73	100	42	47	46	25
Wool	94	132	109	123	152	1/ 5	93	104	175	175
Operating expense 3/	328	362	346	457	535	614	620	618	721	773
Interest expenditure	3,525	1,064	1,435	1,411	1,219	425	98	632	604	480
Export programs 4/	398	743	134	102	276	200	-102	-34	1,256	1,053
1988/89 Disaster/										
Livestock Assistance	0	0	0	0	0	0	3,919 2/	181	91	0
Other	-1,542	1,295	-314	486	371	1,695	110	609	890	1,126
Total	18,851	7,315	17,683	25,841	22,408	12,461	10,523	6,471	10,844	11,079
FUNCTION										
Price-support loans (net)	8,438	-27	6,272	13,628	12,199	4,579	-926	-399	201	458
Direct payments 5/										
Deficiency	2,780	612	6,302	6,166	4,833	3,971	5,798	4,178	6,117	6,574
Diversion	705	1,504	1,525	64	382	8	-1	0	0	0
Dairy termination	0	0	0	489	587	260	168	189	100	11
Other	0	0	0	27	60	0	42	3	12	12
Disaster	115	1	0	0	0	6	4	0	0	0
Total direct payments	3,600	2,117	7,827	6,746	5,862	4,245	6,011	4,370	6,229	6,597
1988/89 crop disaster	0	0	0	0	0	0	3,386 2/	5	5	0
Emergency livestock/										
forage assistance	0	0	0	0	0	31	533	156	86	0
Purchases (net)	2,540	1,470	1,331	1,670	-479	-1,131	116	-48	381	512
Producer storage payments	964	268	329	485	832	658	174	185	26	0
Processing, storage, & transportation	865	639	857	1,013	1,859	1,113	859	317	305	202
Operating expense 3/	328	362	346	457	535	614	620	618	721	773
Interest expenditure	3,525	1,064	1,435	1,411	1,219	425	98	632	604	480
Export programs 4/	398	743	134	102	276	200	-102	-34	1,256	1,053
Other	-1,807	679	-648	329	305	1,727	-46	669	1,030	1,004
Total	18,851	7,315	17,683	25,841	22,408	12,461	10,523	6,471	10,844	11,079

1/ Fiscal 1988 wool & mohair program outlays were $130,635,000 but include a one-time advance appropriation of $126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately $1.5 billion in benefits to farmers under the Disaster Assistance Act of 1989 were paid in generic certificates & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Export Guarantee Program-Credit Reform, Direct Export Credit Program, Market Promotion Program, & CCC Transfers to the General Sales Manager. 5/ Includes cash payments only. Excludes payment-in-kind in fiscal 83-85 & generic certificates in fiscal 86-90. E = Estimated in the fiscal 1992 President's Budget based on November, 1990 supply & demand estimates. Minus (-) indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski (202) 447-5448.

Food Expenditures

Table 38.—Food Expenditure Estimates

	Annual			1991			1991 year-to-date		
	1988	1989	1990	Mar	Apr P	May P	Mar	Apr P	May P
				$ billion					
Sales 1/									
Off-premise use 2/	255.7	272.1	286.3	24.7	23.4	25.7	69.7	93.1	118.8
Meals & snacks 3/	196.5	205.9	220.3	18.8	18.5	19.3	52.4	70.9	90.2
				1990 $ billion					
Sales 1/									
Off-premise use 2/	290.2	289.5	286.2	24.0	22.8	24.9	67.7	90.3	115.2
Meals & snacks 3/	215.2	215.6	220.2	18.4	18.0	18.2	51.3	69.3	88.0
				Percent change from year earlier ($ bil.)					
Sales 1/									
Off-premise use 2/	4.8	6.4	5.2	2.5	1.9	5.2	3.2	2.9	3.4
Meals & snacks 3/	8.7	4.8	7.0	2.2	1.7	1.3	3.2	2.8	2.5
				Percent change from year earlier (1990 $ bil.)					
Sales 1/									
Off-premise use 2/	0.6	-0.2	-1.1	-0.5	-2.5	0.6	-0.1	-0.7	-0.4
Meals & snacks 3/	4.4	0.2	2.1	-1.3	-1.3	-2.0	-0.7	-0.9	-1.2

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food not alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr.-Econ. Rpt. No. 575, Aug 1987.

Information contact: Alden Manchester (202) 219-0880.

Transportation

Table 39.—Rail Rates; Grain & Fruit/Vegetable Shipments

	Annual			1990		1991				
	1988	1989	1990	May	Dec	Jan	Feb	Mar	Apr	May
Rail freight rate index 1/ (Dec. 1984=100)										
All products	104.8	106.4	107.5	107.1	108.5	108.6	108.8 P	109.7 P	109.6 P	109.4 P
Farm products	105.6	108.4	110.4	109.9	111.8	111.5	111.6 P	112.3 P	112.4 P	111.7 P
Grain	105.4	108.7	110.1	109.7	111.3	111.0	111.0 P	111.8 P	112.0 P	111.1 P
Food products	103.2	103.9	105.4	105.2	106.8	107.6	107.6 P	108.1 P	108.3 P	108.1 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	30.7	28.4	27.7	25.7	24.4 P	26.5 P	28.6 P	28.1 P	24.9 P	20.8 P
Barge shipments (mil. ton)	39.0	39.2	45.0	5.2	2.1	1.6	2.6	3.1	4.0	3.7
Fresh fruit & vegetable shipments										
Piggy back (1,000 cwt) 3/ 4/	535	502	421	369	341	277	316	277	248	320
Rail (1,000 cwt) 3/ 4/	607	600	532	590	606	495	410	407	334	527
Truck (1,000 cwt) 3/ 4/	9,679	9,745	9,565	11,646	9,360	8,251	8,753	9,110	9,841	9,465
Cost of operating trucks hauling produce 5/										
Fleet operation (cts./mile)	118.4	123.4	130.5	126.7	135.4	135.9	130.5	128.5	128.1	127.6

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Weekly average; from Agricultural Marketing Service, USDA. 4/ Preliminary data for 1990 & 1991. 5/ Shipments on Illinois and Mississippi waterways, U.S. Corps of Engineers. 6/ Agricultural Marketing Service, USDA. P = preliminary.

Information contact: T.Q. Hutchinson (202) 219-0840.

Indicators of Farm Productivity

Table 40.—Indexes of Farm Production Input Use & Productivity

(See the June 1991 Issue.)
Information contact: Jim Hauver (202) 786-1459.

Food Supply & Use

Table 41.—Per Capita Consumption of Major Food Commodities[1]

Commodity	1982	1983	1984	1985	1986	1987	1988	1989 2/
	Pounds							
Red meats 3/4/	119.9	123.9	123.6	124.9	122.2	117.4	119.5	115.9
Poultry 3/5/	44.9	45.8	47.2	49.4	51.3	55.5	57.4	60.8
Fish 3/	12.1	12.9	13.5	14.4	14.8	15.3	15.2	15.8
Eggs	33.5	33.0	33.0	32.4	32.2	32.2	31.2	29.9
Dairy products								
Cheese (excluding cottage) 6/	19.9	20.8	21.5	22.5	23.1	24.1	23.7	23.8
American	11.3	11.6	11.9	12.2	12.1	12.4	11.5	11.0
Italian	4.8	5.3	5.8	6.5	7.0	7.6	8.1	8.5
Cottage cheese	4.2	4.1	4.1	4.1	4.1	3.9	3.9	3.5
Beverage milks	227.1	226.5	227.3	229.7	228.6	226.5	222.3	219.8
Fluid whole milk 7/	133.4	130.3	128.9	123.4	116.5	111.9	105.7	95.8
Fluid lowfat milk 8/	83.2	85.6	88.9	93.7	98.7	100.6	100.5	104.2
Fluid skim milk	10.6	10.6	11.6	12.6	13.5	14.0	16.1	19.8
Fluid cream 8/	3.5	3.7	4.0	4.4	4.7	4.7	4.6	4.8
Yogurt (excluding frozen)	2.6	3.3	3.7	4.1	4.4	4.4	4.7	4.3
Ice cream	17.6	18.1	18.2	18.1	18.4	18.4	17.3	16.1
Ice milk	6.6	6.9	7.0	6.9	7.2	7.4	8.0	8.4
All dairy products, milk equivalent, milkfat basis	556.4	573.3	582.5	594.1	591.9	601.2	583.5	567.6
Fats & oils	61.3	63.1	61.9	67.4	67.6	66.0	66.0	63.9
Butter & margarine	15.4	15.3	15.3	15.7	16.0	15.1	14.8	14.5
Shortening	18.6	18.5	21.3	22.9	22.1	21.4	21.5	21.5
Lard & edible tallow (direct use)	3.8	4.2	3.9	3.7	3.5	2.8	2.6	2.7
Salad & cooking oils	21.9	23.6	19.9	23.5	24.2	25.4	25.8	23.9
Other edible fats & oils 10/	1.6	1.6	1.7	1.6	1.7	1.3	1.3	1.3
Fresh fruits 11/12/	87.6	93.2	91.7	89.4	95.9	100.9	98.7	97.2
Noncitrus 13/	62.9	63.8	67.6	66.7	69.8	75.1	72.2	72.7
Citrus 14/	24.8	29.5	24.0	22.7	26.1	25.8	26.4	24.5
Watermelons 12/	12.5	11.3	14.4	13.5	12.8	13.0	13.7	13.8
Honeydews 12/	2.0	1.9	1.9	2.2	2.6	2.4	2.5	2.7
Dried fruit	2.4	2.5	2.5	2.8	2.8	2.7	2.9	3.2
Frozen fruit	3.0	2.9	3.0	3.3	3.6	3.9	3.8	4.8
Frozen citrus juices 15/	36.9	41.7	35.7	40.5	43.2	40.2	40.1	36.1
Selected fresh vegetables 11/12/	83.2	80.6	87.9	88.5	88.4	93.5	96.7	100.0
Asparagus	—	—	0.4	0.5	0.7	0.6	0.6	0.6
Broccoli	2.2	2.3	2.7	2.9	3.5	3.6	4.2	4.5
Carrots	7.8	7.5	8.0	7.7	7.8	8.8	8.4	8.7
Cauliflower	1.6	1.7	2.2	2.3	2.7	2.7	2.9	2.9
Celery	7.8	7.4	7.5	7.4	7.1	7.1	7.7	8.0
Corn 16/	7.1	7.3	7.6	7.6	7.2	7.5	6.8	7.6
Iceberg lettuce	25.7	23.3	26.0	24.8	23.2	26.9	27.6	29.4
Onions	15.7	15.4	16.3	16.9	17.3	16.9	18.2	18.0
Tomatoes	13.4	13.7	15.3	16.1	17.2	17.1	18.0	18.0
Other fresh 17/	1.9	2.0	1.9	2.3	1.7	2.3	2.3	2.4
Potatoes, all 12/	114.5	118.3	122.3	122.7	126.2	126.4	123.8	126.9
Fresh	46.9	49.8	48.9	46.8	49.6	49.1	51.7	50.0
Canning	1.9	1.9	1.8	1.9	1.8	1.8	1.9	2.0
Freezing	38.4	39.0	43.5	45.2	46.0	47.3	42.8	46.4
Chip/shoestrings	17.2	17.9	18.1	17.7	18.3	17.8	17.4	17.9
Dehydrating	10.1	9.8	10.0	11.0	10.5	10.5	10.0	10.6
Sweetpotatoes 12/18/	5.5	4.6	5.0	5.4	4.5	4.5	4.1	4.1
Dry edible beans, peas, & lentils 12/	7.0	7.1	5.6	7.7	7.1	5.7	7.4	5.9
Peanuts (shelled)	6.0	5.9	6.1	6.3	6.4	6.4	6.9	7.0
Tree nuts (shelled)	2.2	2.2	2.3	2.3	2.2	2.2	2.3	2.4
Fresh mushrooms 12/	1.4	1.6	1.8	1.8	1.9	1.9	2.0	2.1
Processing mushrooms 12/	1.8	1.5	1.9	1.8	1.8	1.8	1.6	1.3
Wheat flour 19/	116.9	117.7	119.2	124.7	125.7	129.9	130.0	123.4
Rice (milled basis)	11.9	9.8	8.6	9.1	11.7	13.9	14.4	15.6
Dry pasta products 20/	10.0	10.3	10.7	11.0	11.2	11.8	11.9	12.6
Breakfast cereals	11.8	12.2	12.5	12.8	13.1	13.4	14.1	14.6
Caloric sweeteners 21/	123.2	124.3	127.0	130.0	129.1	132.6	133.2	134.3
Soft drinks (gal.)	26.9	27.4	28.5	30.5	32.0	30.6	31.9	32.0
Alcoholic beverages (gal.) 22/	42.3	41.7	41.1	40.5	40.6	40.0	39.5	38.9
Coffee (green bean equiv.)	9.9	10.1	10.2	10.5	10.5	10.2	9.8	10.3
Cocoa (chocolate liquor equiv.) 23/	3.0	3.2	3.4	3.7	3.8	3.9	3.8	3.9

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents the residual after exports, nonfood use, & ending stocks are subtracted from the sum of beginning stocks, domestic production, & imports. Data on a calendar year basis except fresh citrus fruits, apples, grapes, dried fruit, peanuts, & rice, which are on a crop-year basis. 2/ Preliminary. 3/ Boneless, trimmed weight 4/ Beef, veal pork, lamb & mutton. 5/ Chicken & turkey. 6/ Natural equivalent of cheese & cheese products. Total product weight is greater than natural equivalent because processed cheese & cheese food are made from natural cheese & other dairy products. Includes miscellaneous cheese not shown separately. 7/ Plain & flavored. 8/ Plain & flavored & buttermilk. 9/ Heavy cream, light cream, & half & half. 10/ Includes confectioner's fats & other edible fats not shown separately. 11/ Total may not add due to rounding. 12/ Farm weight. Figures reflect per capita utilization rather than consumption due to lack of stocks data. 13/ Apples, apricots, avocados, bananas, cherries, cranberries, figs, grapes, kiwifruit, mangos, nectarines, olives, papayas, peaches, pears, persimmons, pineapples, plums, & pomegranates. 14/ Includes grapefruit, lemons, limes, tangelos, & tangerines. 15/ Single-strength basis. 16/ On-cob basis. 17/ Includes artichokes, garlic, & eggplant. 18/ Fresh & processed. 19/ White, whole wheat, semolina, & durum flour. 20/ Excludes fresh pasta products. & canned & frozen products made with fresh pasta. 21/ Dry weight equivalent. Includes refined (cane & beet) sugar, corn sweeteners, edible syrups, & honey. 22/ Per capita for U.S. total population, 21 years & over. 23/ Chocolate liquor is what remains after cocoa beans have been roasted & hulled; it is sometimes called ground or bitter chocolate. — = not available.

Information contact: Judy Jones Putnam (202) 219-0870.

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